

File No. 240049

Committee Item No. 4

Board Item No. 22

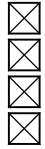
## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date March 27, 2024

Board of Supervisors Meeting Date April 2, 2024

### Cmte Board



Resolution

Budget and Legislative Analyst Report

Department/Agency Cover Letter and/or Report

Contract/Agreement

- **Draft Amendments No. 4 -**
  - L03-0183 Bayport (Koi Palace -T3)
  - L03-0187 Urban Tortilla
  - L03-0191 Guava & Java (Dogpatch)
  - L03-0193 Gotham (Peet's E3)
  - L03-0199 Burger Joint (Mission Bar & Grill)
  - L03-0200 SSP America, Inc. (Union Street Gastropub)
  - L16-0014 TOTF Int'l (Napa Farm-Mustard's)
  - L16-0017 SSP America, Inc. (1300 on Fillmore)
  - L19-0069 Smarte Carte
- **Draft Amendments No. 3**
  - L03-0184 Elevate Gourmet Brands (Pronto (T3East)
  - L03-0192 TOTF (Klein's Deli)
  - L10-0029 TOTF (Napa Farms T2\_Vino Volo)
  - L10-0030 Gotham (Peet's D7 & D12)
  - L10-0031 HBF Soto (Cat Cora)
  - L10-0032 TOTF (Lark Creek)
  - L10-0033 Sankaku, Inc. (Wakaba T2)
  - L10-0034 Andale (T2)
  - L10-0035 BJ Annex (Burger Joint)
  - L10-0036 HBF Soto (Plant Organic\_Pinkberry)
  - L11-0210 Hudson Group (HG) (SF Magazine News)
  - L12-0085 WDFG (4 locations)
  - L13-0136 Skyline Concessions, Inc. (Skyline News-T3)
  - L13-0202 Airport Travel Agency
  - L16-0016 Elevated Tastes SFO (Tomokazu)
  - L16-0020 SSP America SFO, LLC (Roasting Plant)
  - L16-0021 Bayport (Koi Palace -ITG)
  - L16-0309 SF Soup (Ladle & Leaf)
  - L16-0311 Gate 74 (Prop. Chicken)
  - L16-0312 Amoura
  - L16-0315 TOTF (SF Giants Club)
  - L16-0316 HFF-BRH-SFO (Farmerbrown)
  - L17-0208 Stellar Partners, Inc. (The New Stand (ITA)
  - L17-0209 DFS Group, L.P. (DFS Sunglasses and Watches)

- L17-0210 Canonica (Chocolate Market ITG)
- L17-0211 Stellar Partners, Inc. (ITG)
- L17-0238 SSP America, Inc. (Manufactory Food Hall)
- L17-0239 Andre-Boudin
- L17-0254 Black Point Coffee
- L18-0073 Canonica (Chocolate Market T2)
- L18-0074 SSP America, Inc. (Sweet Maple)
- L18-0203 InMotion SFO, LLC (iStore)
- L18-0204 Paradies Lagardere @ SFO 2018 (Mills Cargo)
- L18-0208 Skyline Concessions, Inc. (Skyline News-HMT1)
- L18-0209 Bun Mee (HMT1)
- L18-0210 SSP America, Inc. (Little Chihuahua)
- L18-0211 Amy's Kitchen
- L18-0212 Paradies Lagardere (Bourbon Pub)
- L18-0213 TOTF (Starbird)
- L18-0214 Soaring Food (Illy Cafe)
- Amendments No. 2
  - L12-0089 SF Uncork'd
  - L12-0231 Clear Channel
  - L15-0039 WDFG (Jo Malone-Tom Ford-Aveda)
  - L15-0227 Hudson Group (HG) Retail, LLC (Brookstone)
  - L16-0012 Andale (IT)
  - L16-0013 High Flying Food (Gott's Roadside)
  - L16-0015 Asian Box Palo Alto
  - L16-0022 SF Foodways (Potrero - Tapas & Taps)
  - L16-0024 SSP America, Inc. (Wendy's)
  - L16-0242 Gilly National
  - L16-0256 MRG San Francisco, LLC (District Market)
  - L16-0310 Silver Dragon (Bacon Bacon)
  - L16-0313 Bun Mee (T3)
  - L17-0207 HG SFO Retailers 2017 JV (Ingenuity BA A)
  - L18-0071 Brookstone SFO T-2 LLC
  - L18-0175 Swyft, Inc.
  - L18-0205 L'Occitane Airport Venture, LLC (L'Occitane)
  - L18-0206 The Marshall Retail Group, LLC (DepARTures)
  - L18-0207 RAKH, Inc (NYS Collection Eyewear)
  - L18-0215 Lady Luck (Mama Go's Phillipino)
  - L18-0216 SF Foodways (Drake's Flyaway)
  - L18-0217 Host Int'l (Bistrot Bay Area)
  - L18-0231 InMotion SFO-IT, LLC (InMotion-ITA)
  - L18-0232 InMotion SFO-T3, LLC (InMotion-BA E Soundbalance)
  - L18-0233 Air Sun (Sunglass Hut T3)
  - L18-0284 Canonica New York, LLC (The Chocolate Market)
  - L18-0345 Air Sun (Sunglass Hut T2)
  - L18-0346 (Revised) Elevate Gourmet Brands (Green Bean T3 only)
  - L18-0367 HG SFO Retailers 2017 JV (49 Mile Market)
  - L18-0368 The Marshall Retail Group, LLC (Scoop)
  - L18-0395 Emporio Rulli (G.R. Chocolate)

- **Draft Amendments No. 1**
    - **L19-0053 Apparel Sourcing (We Are SF)**
    - **L19-0244 Park Cafe (Dolores Park Cafe)**
    - **L19-0245 Sidewalk Juice**
    - **L19-0246 MRG San Francisco Terminal 3, LLC (Silicon Valley)**
    - **L20-0041 Proper Food**
    - **L20-0043 Culinary Heights (Ritual Coffee)**
    - **L20-0046 Genesco (Johnston & Murphy)**
    - **L20-0049 Books, Inc. (Compass Books)**
- Forms 126 – Ethics Commission (88)**

**OTHER**      [Click on the hyperlinks below to view voluminous documents.](#)

<input type="checkbox"/>	<input type="checkbox"/>	<u>Resolution Attachments A (Food and Beverage Concessions), B (Retail Concessions) and C (Service Concessions)</u>
<input type="checkbox"/>	<input type="checkbox"/>	<u><a href="#">Airport Commission Resolution No. 23-0224 9/5/2023</a></u>
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- [L19-0246 Executed Original Agreement](#)
- [L20-0041 Executed Original Agreement](#)
- [L20-0043 Executed Original Agreement](#)
- [L20-0046 Executed Original Agreement](#)
- [L20-0049 Executed Original Agreement](#)

**Completed by:** Brent Jalipa **Date** March 21, 2024  
**Completed by:** Brent Jalipa **Date** March 28, 2024

1 [COVID-19 Lease Extension Program for Certain Airport Food and Beverage, Retail, and  
2 Service Concessions Tenants]

3 **Resolution approving the COVID-19 Lease Extension Program for Certain Airport Food**  
4 **and Beverage, Retail, and Service Concession Tenants, allowing the Airport to offer**  
5 **lease extensions of up to three and one-half years to eligible concessionaires.**

6  
7 WHEREAS, Flight and passenger activity immediately and dramatically declined after  
8 the March 11, 2020, COVID-19 pandemic declaration by the World Health Organization; and

9 WHEREAS, COVID-19 was declared a national emergency by President Donald  
10 Trump on March 13, 2020, and public health officials in six Bay Area Counties, including San  
11 Francisco and San Mateo, issued a Shelter-In-Place order on March 17, 2020; and

12 WHEREAS, The number of food and beverage, retail, and service concession locations  
13 in operation at the Airport dropped from 149 to 27 within days of the Shelter-In-Place order;  
14 and

15 WHEREAS, All concessions locations have opened, however, passenger activity was  
16 still down 18.2% at the end of Fiscal Year 2023 as compared to Fiscal Year 2019, the last full  
17 fiscal year before the pandemic began; and

18 WHEREAS, Concessionaires received financial relief in the form of Minimum Annual  
19 Guarantee, rent, and fee waivers for a portion of the period since the pandemic began, funded  
20 by federal stimulus and grant programs; and

21 WHEREAS, The concessionaires entered into their leases based upon a projected pre-  
22 pandemic level of enplanements, and while the federal relief given provided valuable near  
23 term relief, it did not address the four to five-year recovery period which has placed leases in  
24 a different financial position than what was originally underwritten by the concessionaires; and

25

1           WHEREAS, Lease extensions are an appropriate means to help concessions tenants  
2 mitigate business losses incurred during and after the pandemic by allowing a longer period  
3 for the amortization of tenant improvement costs, and providing an opportunity for recouping  
4 businesses losses in the latter years of their leases when enplanements are projected to be  
5 higher; and

6           WHEREAS, On September 5, 2023, by Resolution No. 23-0224, the Airport  
7 Commission authorized the Airport Director to implement the COVID-19 Lease Extension  
8 Program (Program), which will offer lease extensions of up to three and one-half years to  
9 Eligible Concessionaires, as listed on Attachments A, B, and C of this Resolution; and

10           WHEREAS, Eligible Concessionaires in operation at the start of the pandemic will be  
11 offered a three and one-half year lease extension; and

12           WHEREAS, Eligible Concessionaires who were not in operation at the start of the  
13 pandemic but who subsequently commenced operation during the COVID-19 pandemic will  
14 be offered a lease extension equal to the number of months they operated during the  
15 pandemic, defined for the purposes of the Program as March 2020 through August 2023; and

16           WHEREAS, As a condition of participating in the Program and receiving lease  
17 extensions, Eligible Concessionaires will also be required to comply with (i) updated City and  
18 County of San Francisco contracting requirements; (ii) the Airport's revised Rule 12.3  
19 (Prevailing Wage Requirements – Covered Tenant Construction); and (iii) the Airport's revised  
20 Rule 12.1 (Labor Peace/Card Check Rule); now, therefore, be it

21           RESOLVED, That this Board of Supervisors approves the COVID-19 Lease Extension  
22 Program and the execution of appropriate amendments to extend the terms of leases with  
23 certain food and beverage, retail, and service concession tenants that had an active lease  
24 during the COVID-19 pandemic or opened during the pandemic and which are currently  
25 operating at the Airport, as listed on Attachments A, B, and C attached to this Resolution, and

1 the Airport Director's memorandum which accompanies this Resolution, which is included in  
2 Board of Supervisors in File No. 240049; and, be it

3 FURTHER RESOLVED, That within thirty (30) days of the amendments being fully  
4 executed by all parties, the Commission shall provide the final amendments to the Clerk of the  
5 Board for inclusion into the official file.

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**Attachment A**

**Food and Beverage Concessions**

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
1	Amoura International, Inc. (Amoura Café)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 4	16-0312	3 years, 6 months
2	Amy's Kitchen Restaurant Operating Company, LLC (Amy's Drive Thru)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 3	18-0211	3 years, 6 months
3	Andale Management Group, Inc. (Andale)	Terminal 2 Quick Serve Lease	10-0034	3 years, 6 months
4	Andale Management Group, Inc. (Valencia St. Station; 24th & Mission St. Taco House)	International Terminal Food and Beverage Concessions Lease 1	16-0012	3 years, 6 months
5	Andre-Boudin Bakeries, Inc. (Boudin Bakery)	International Terminal A Historic Restaurant Concession Lease	17-0239	3 years, 6 months
6	Asian Box Palo Alto, LLC (Asian Box)	International Terminal Food and Beverage Concession Lease No. 4	16-0015	3 years, 6 months
7	Bayport Concessions, LLC (Koi Palace Express)	Domestic Terminal Food and Beverage Lease	03-0183	3 years, 6 months
8	Bayport Concessions, LLC (Koi Palace Express)	International Terminal Food and Beverage Concessions Lease 11	16-0021	3 years, 6 months
9	BJ Annex, LLC (Burger Joint)	Terminal 2 Quick-Serve Lease	10-0035	3 years, 6 months
10	Black Point Coffee SFO, LLC (Black Point Café)	International Terminal A Coffee Kiosk Concession Lease	17-0254	3 years, 6 months
11	Bun Mee, LLC (Bun Mee)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 5	16-0313	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
12	Bun Mee, LLC (Bun Mee)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 1	18-0209	3 years, 6 months
13	Burger Joint, Inc. (Mission Bar & Grill)	Domestic Terminal Food and Beverage Lease	03-0199	3 years, 6 months
14	Culinary Heights Hospitality (Ritual Coffee)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 13	20-0043	11 months
15	Elevate Gourmet Brands, Inc. (Pronto)	Domestic Terminal Food and Beverage Lease	03-0184	2 years, 6 months
16	Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC, a Joint Venture dba Elevate Gourmet Brands Gourmet Brands - SFO Group  (This lease has 2 locations. Only Green Beans Coffee will get extended. The second location, San Francisco Mac n' Cheese, is not constructed and is, therefore, ineligible.)	Terminal 3 Boarding Area F Coffee and Quick Serve Concession Lease	18-0346	3 years, 6 months
17	Elevated Tastes SFO Inc. (Tomokazu)	International Terminal Food and Beverage Concession Lease 5	16-0016	3 years, 6 months
18	Gate 74, Inc. (Proposition Chicken)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 3	16-0311	3 years, 6 months
19	Gilly National, Inc.	Snack And Beverage Vending Lease	16-0242	3 years, 6 months
20	Gotham Enterprise, LLC (Peet's Coffee & Tea)	Terminal 2 Bakery and Coffee Facilities Lease	10-0030	3 years, 6 months
21	Gotham Enterprises, LLC Coffee IV-VI Series (Peet's Coffee & Tea)	Domestic Terminal Food and Beverage Lease	03-0193	3 years, 6 months
22	Guava & Java (SFO), Inc. (Two Dogpatch Bakehouse locations)	Domestic Terminal Food and Beverage Lease	03-0191	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
23	HBF Soto JV, LLC (The Plant Organic Café/Pinkberry Yogurt)	Terminal 2 Quick-Serve Lease	10-0036	3 years, 6 months
24	HBF Soto JV, LLC (Cat Cora)	Terminal 2 Cocktail Lounge Lease	10-0031	3 years, 6 months
25	HFF-BRH-SFO, LLC (Farmerbrown)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 8	16-0316	3 years, 6 months
26	High Flying Foods, Inc. (Gott's Roadside)	International Terminal Food and Beverage Concession Lease 2	16-0013	3 years, 6 months
27	Host International, Inc. (The Bistrot Bay Area)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 8	18-0217	2 years, 1 month
28	Lady Luck Gourmet, LLC (Mama Go's Filipino Cuisine)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 7	18-0215	3 years, 3 months
29	Paradies Lagardere @ SFO 2018 (F&B), LLC (Bourbon Pub)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 4	18-0212	3 years, 6 months
30	Park Café Group, Inc. (Dolores Park Café)	Terminal 1 Boarding Area C Food and Beverage Kiosk Lease, a Small Business Enterprise Set Aside	19-0244	1 year, 7 months
31	Proper Food SFO Airport, LLC (Proper Food)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 10	20-0041	1 year, 2 months
32	San Francisco Soup Company (Ladle & Leaf)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 1	16-0309	3 years, 6 months
33	Sankaku, Inc. (Wakaba)	Domestic Terminal 2 Food and Beverage Lease	10-0033	3 years, 6 months
34	SF Foodways, LLC (Drake's Flyaway)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 9	18-0216	2 years, 9 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
35	SF Foodways, LLC (Potrero Grill, Tapas & Taps)	International Terminal Food and Beverage Concession Lease 12	16-0022	3 years, 6 months
36	SF Uncork'd, LLC (SF Uncork'd)	Terminal 3 Boarding Area F Wine Bar Lease	12-0089	3 years, 6 months
37	Sidewalk Juice SFO, LLC (Sidewalk Juice)	Terminal 3 Boarding Area F Food and Beverage Kiosk Lease, A Small Business Enterprise Set-Aside Lease	19-0245	2 years, 6 months
38	Silver Dragon Café, LLC (Bacon Bacon)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 2	16-0310	3 years, 6 months
39	Soaring Food Group, LLC (Illy Caffè)	Harvey Milk Terminal 1 Concession Lease 6	18-0214	3 years, 6 months
40	SSP America, Inc. (The Roasting Plant)	International Terminal Food and Beverage Concessions Lease 10	16-0020	3 years, 6 months
41	SSP America, Inc. (Union Street Gastropub)	Domestic Terminal Food and Beverage Lease	03-0200	3 years, 6 months
42	SSP America, Inc. (1300 on Fillmore)	International Terminal Food and Beverage Concessions Lease 7	16-0017	3 years, 6 months
43	SSP America, Inc. (Wendy's)	International Terminal Food and Beverage Concessions Lease 14	16-0024	3 years, 6 months
44	SSP America, Inc. (Marina's Café and The Manufactory Food Hall)	International Terminal A Food Hall and Café Concession Lease	17-0238	3 years, 6 months
45	SSP America, Inc. (Sweet Maple)	Terminal 2 Casual Dining Food and Beverage Concession Lease 6	18-0074	3 years, 6 months
46	SSP America, Inc. (The Little Chihuahua)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 2	18-0210	3 years, 6 months
47	Tastes on the Fly of San Francisco, LLC (Two Klein's Deli locations)	Domestic Terminal Food and Beverage Lease	03-0192	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
48	Tastes on the Fly of San Francisco, LLC (SF Giants Club House)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 7	16-0315	3 years, 6 months
49	Tastes on the Fly San Francisco, LLC (Napa Farms Market)	Terminal 2 Gourmet Market and Wine Bar Lease	10-0029	3 years, 6 months
50	Tastes on the Fly San Francisco, LLC (Lark Creek Grill)	Terminal 2 Sit-Down Restaurant Lease	10-0032	3 years, 6 months
51	Tastes On The Fly San Francisco, LLC (Starbird)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 5	18-0213	3 years, 6 months
52	Tastes on the Fly SFO International, LLC (Napa Farms Market, Mustard's Bar & Grill)	International Terminal Food and Beverage Concession Lease 3	16-0014	3 years, 6 months
53	Urban Tortilla, Inc. (Urban Tortilla)	Domestic Terminal Food and Beverage Lease	03-0187	3 years, 6 months

**Attachment B**

**Retail Concessions**

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
1	Air Sun JV (Sunglass Hut)	Terminal 3 Boarding Area E Retail Specialty Store Lease	18-0233	3 years, 6 months
2	Air Sun JV (Sunglass Hut)	Terminal 2 Sunglass Store or Cosmetic Store Lease	18-0345	3 years, 6 months
3	Airport Travel Agency, Inc.	International Terminal Airport Amenities & Business Services Lease	13-0202	3 years, 6 months
4	Apparel Sourcing and Production, LLC (We Are SF)	Terminal 2 Specialty Retail Concession Lease 2	19-0053	2 years
5	Books, Inc. (Compass Books)	Terminal 2 Bookstore Lease	20-0049	2 years, 4 months
6	Brookstone SFO T-2, LLC (Brookstone)	Terminal 2 Specialty Retail Concession Lease 1	18-0071	3 years, 6 months
7	Canonica New York, LLC (The Chocolate Market)	International Terminal Newsstand and Specialty Retail Concession Lease 4	17-0210	3 years, 6 months
8	Canonica New York, LLC (The Chocolate Market)	Terminal 3 Boarding Area E Candy Kiosk Lease	18-0284	3 years, 6 months
9	Canonica New York, LLC (The Chocolate Market)	Terminal 2 Specialty Retail Concession Lease 3	18-0073	3 years, 6 months
10	DFS Group, L.P. (DFS Sunglasses and Watches)	International Terminal Specialty Concession Lease 3	17-0209	3 years, 6 months
11	Emporio Rulli, Inc. (G.R. Chocolate)	Harvey Milk Terminal 1 Retail Concession Lease 3	18-0395	6 months
12	Genesco Partners Joint Ventures #11 (Johnston & Murphy)	Harvey Milk Terminal 1 Retail Concession Lease 11	20-0046	1 year, 1 month

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
13	HG SFO Retailers 2017 JV (Ingenuity by Hudson)	International Terminal Newsstand and Specialty Retail Concession Lease 1	17-0207	3 years, 6 months
14	HG SFO Retailers 2017 JV (49 Mile Market)	Boarding Area C Retail Concession Lease	18-0367	3 years, 6 months
15	Hudson Group (HG) Retail, LLC (Brookstone)	International Terminal Specialty Retail Store Lease	15-0227	3 years, 6 months
16	Hudson Group (HG) Retail, LLC (SF Magazine News gets extended; Tumi and Hudson News are impacted by the Terminal 3 West project.)	Terminal 3 News and Specialty Store Lease	11-0210	3 years, 6 months
17	InMotion SFO-IT, LLC (InMotion Entertainment)	Electronics Store Lease International Terminal Boarding Area A	18-0231	3 years, 6 months
18	InMotion SFO-T3, LLC (InMotion Entertainment gets extended; Sound Balance will be relocated related to the Terminal 3 West renovation project)	Electronics Stores Lease in Terminal 3 Boarding Areas E and F	18-0232	2 years, 11 months
19	InMotion SFO, LLC (iStore)	Harvey Milk Terminal 1 Retail Concession Lease 1	18-0203	3 years, 6 months
20	L'Occitane Airport Venture, LLC (L'Occitane)	Harvey Milk Terminal 1 Retail Concession Lease 4	18-0205	2 years, 10 months
21	MRG San Francisco, LLC (District Market)	Terminal 3 Retail Marketplace Lease	16-0256	3 years, 6 months
22	MRG San Francisco Terminal 3, LLC (Silicon Valley News)	Terminal 3 Boarding Area F News and Multi-Concept Retail Store Lease	19-0246	2 years, 7 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
23	Paradies Lagardere @ SFO 2018, LLC (Mills Cargo)	Harvey Milk Terminal 1 Retail Concession Lease 2	18-0204	3 years, 6 months
24	RAKH, Inc. (NYS Collection Eyewear)	Harvey Milk Terminal 1 Retail Concession Lease 6	18-0207	2 years, 5 months
25	Skyline Concessions, Inc. (Skyline News)	Boarding Area E Newsstand Lease, A Small Business Enterprise Set-Aside	13-0136	3 years, 6 months
26	Skyline Concessions, Inc. (Skyline News and Gifts)	Harvey Milk Terminal 1 Retail Concession Lease 7	18-0208	3 years, 6 months
27	Stellar Partners, Inc. (The New Stand, A)	International Terminal Newsstand and Specialty Retail Concession Lease No. 2	17-0208	3 years, 6 months
28	Stellar Partners, Inc. (The New Stand, G)	International Terminal Newsstand and Specialty Retail Concession Lease No. 5	17-0211	3 years, 6 months
29	Swyft, Inc. (Zoom Travel Stores)	Airport Automated Retail Lease	18-0175	3 years, 6 months
30	The Marshall Retail Group, LLC (Scoop)	Terminal 1 Boarding Area C Retail Concession Lease 2	18-0368	2 years, 9 months
31	The Marshall Retail Group, LLC (DepARTures gets an extension; 7X7 is not constructed and is, therefore, ineligible)	Harvey Milk Terminal 1 Retail Concession Lease 5	18-0206	3 years, 2 months
32	World Duty Free Group North America, LLC (SF Travel News, San Francisco Chronicle News, Hudson News, Green Beans Coffee)	International Terminal and Terminal 3 Newsstands/Café Lease	12-0085	3 years, 6 months
33	World Duty Free Group North America, LLC (Jo Malone, Tom Ford, Aveda)	Terminal 3 Specialty Retail Store Lease A	15-0039	3 years, 6 months



**Attachment C**

**Service Concessions**

1	Clear Channel Outdoor, LLC	Airport Advertising Lease	12-0231	3 years, 6 months
2	Smarte Carte, Inc.	Airport Luggage Cart Lease and Operating Agreement	19-0069	3 years, 6 months

<p><b>Item 4</b> <b>File 24-0049</b></p>	<p><b>Department:</b> Airport</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>The proposed resolution would approve the COVID-19 Lease Extension Program for approximately 88 concession tenants at the San Francisco International Airport (Airport), extending the lease terms by up to three years and six months for eligible concessionaires.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>The COVID-19 pandemic and associated Shelter-in-Place order severely impacted the aviation industry and activity at the Airport. To support concession tenants impacted by the COVID-19 pandemic, Airport staff has proposed extending concession lease terms by up to three years and six months, consistent with the period that the Airport experienced a decline of enplanements (March 2020 through August 2023). The lease extension would help concession tenants to amortize investment costs, achieve more favorable terms with lenders, and recoup business losses.</li> <li>The Airport has identified 88 concession leases that qualify for the program, including 53 food and beverage concessions, 33 retail concessions, and two service concessions. 70 of the 88 leases would receive extensions for the full three years and six months allowed by the program.</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>Airport concession tenants pay the greater of Minimum Annual Guaranteed (MAG) rent or percentage rent based on gross revenues. Of the 88 leases that would be extended, 38 leases currently have a MAG rent that has been reinstated, and 50 leases do not have a MAG rent due to holdover status or weaker enplanement recovery in gates near the lease locations. If MAG rents were reinstated for all leases, the total value of the MAG rent for the leases in the COVID-19 Lease Extension Program would be approximately \$49.3 million, excluding the Smarte Carte lease.</li> <li>The Smarte Carte lease includes both a fee paid to Smarte Carte for free cart service in the international arrivals area and rent paid to the Airport. The net difference between the Annual Service Fee and MAG rent is an annual cost of \$1.5 million to the Airport</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>Approve the proposed resolution.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section 9.118(c) states that (1) any lease of real property for ten or more years, including options to renew, (2) have anticipated revenues to the City of \$1,000,000, or (3) the modification, amendment or termination of these leases is subject to Board of Supervisors approval.

**BACKGROUND**

The COVID-19 pandemic and associated Shelter-in-Place order severely impacted the aviation industry and activity at San Francisco International Airport (Airport). Due to reduced passenger activity and required closures, the number of operational food and beverage, retail, and passenger service businesses at the Airport declined from 149 locations to 27 in March 2020. In January 2021, the Board of Supervisors approved an ordinance delegating authority to the Airport to modify leases without further Board of Supervisors’ approval, consistent with the Airport’s COVID-19 Emergency Rent Relief Program, which allowed the Airport to waive certain rents and fees for eligible concession tenants (File 20-1278). The Airport has received approximately \$51.5 million in Federal COVID-19 stimulus funding to offset revenue losses from these waivers.

Airport enplanement activity has recovered but remained approximately 18.2 percent below FY 2018-19 levels in FY 2022-23. Airport concession leases typically contain a standard provision that suspends Minimum Annual Guaranteed (MAG) rents when enplanements drop below 80 percent of base year enplanements for three consecutive months, defined as a “severe decline in enplanements.” Some MAGs are still suspended due to the severe decline in enplanements lease language. The language is specific to the boarding area where the concession is located and comparison periods vary by lease MAG rents are then reinstated when enplanements recover to at least 80 percent of base year enplanements for two consecutive months. To support concession tenants impacted by the COVID-19 pandemic, Airport staff has proposed extending concession lease terms by up to three years and six months, consistent with the period that the Airport as a whole experienced a “severe decline of enplanements” (March 2020 through August 2023). The lease extension would help concession tenants to amortize investment costs, achieve more favorable terms with lenders, and recoup business losses. In September 2023, the Airport Commission approved the COVID-19 Lease Extension Program.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve the COVID-19 Lease Extension Program for certain Airport food and beverage, retail, and service concession tenants, extending the lease terms by up to three years and six months.

**Lease Extensions**

The Airport has proposed the concession lease extensions as follows:

- Eligible concessionaires that were in operation at the start of the pandemic in March 2020 would receive an extension of three years and six months;

- Eligible concessionaires that were not in operation at the start of the pandemic but subsequently commenced operation would receive an extension equal to the number of months they operated in the pandemic period (March 2020 through August 2023) and
- Clear Channel Outdoor, LLC is required to install its permanent equipment in Terminal 1, as specified in its lease, to be eligible for a lease extension.

Leases that have already been extended would have the extension term added to the end of the existing term. Leases in holdover status would have the extension term begin the first day of the first month following approval of the COVID-19 Lease Extension Program. If the Airport must terminate a lease early, the extension term would not be used to calculate any buyout of unamortized construction costs.

The following concessionaires and permittees would not be eligible for lease extensions:

- Concessionaires or permittees operating under short-term leases or permits, such as retail pop-up tenants, the espresso vending machine operator, and food trucks;
- Concessionaires within the footprint of the Terminal 3 West and International Terminal Arrivals area renovation projects, as those spaces will be impacted over the next two to three years;
- The Terminal 2 News, Coffee, and Specialty Store lease with World Duty Free Group North America, LLP, because another lease has been awarded to provide most of the services offered under the lease;
- The luxury and duty free retail lease in the International Terminal and in Terminal 1 with Duty Free Group, because the Airport is seeking to amend the lease to provide rent relief
- American Express Travel Related Services, Inc. (AMEX), because it was extended by seven years in 2020 related to a sizable premises expansion;
- Service concessionaires, including Airport Mailers, Airport Terminal Services, Bank of America, Alclear, Grab SFO, New Cingular Wireless, SFO Shoeshine, and Wells Fargo;
- Rental Car Concessions; and
- Concessionaires who are not current with deposits, insurance, and accounts receivable obligations under their lease.

Airport staff reports that two food and beverage concessionaires (Joe & the Juice New York, LLC and Rylo Management, LLC) were also excluded due to concerns raised regarding the Airport's Labor Peace/Card Check Rule. If the Airport finds that these tenants are in compliance, it will include them in the program and request approval of lease extensions.

Out of 133 concession leases, the Airport has determined that 88 leases qualify for the COVID-19 Lease Extension Program, as follows:

- 53 food and beverage concessions;
- 33 retail concessions; and
- Two service concessions for advertising and luggage carts.

Attachments A, B, and C to the proposed resolution are included in the file and list the 88 qualifying leases. Of the 88 leases, 70 would receive extensions for the full three years and six months allowed by the program. Only the 88 leases that are included in the attachments to the proposed resolution may be extended.

## FISCAL IMPACT

Airport concession tenants pay the greater of MAG rent or percentage rent based on gross revenues. As noted above, Airport concession leases typically contain a standard provision that suspends MAG rents when enplanements drop below 80 percent of base year enplanements for three consecutive months. MAG rents are then reinstated when enplanements in the boarding area where the concession lease is located recover to at least 80 percent of base year enplanements for two consecutive months. Due to the COVID-19 pandemic's impact on air travel, MAG rents were suspended from March 2020 through August 2023. When MAG rents are suspended, tenants still pay percentage rent, which may be less than the MAG.

Of the 88 leases that would be extended under the COVID-19 Lease Extension Program, 38 leases currently have a MAG rent that has been reinstated, 21 leases are currently in holdover status and do not have a MAG rent, and 29 leases have not had MAG rents reinstated due to weaker enplanement recovery in gates nearby the lease locations. For leases on holdover, the proposed extension would reactive the MAG, assuming the associated boarding area is not still experiencing a severe decline in enplanements. If MAG rents were reinstated for all leases, the total value of the MAG rent for the leases in the COVID-19 Lease Extension Program would be approximately \$49.3 million.<sup>1</sup> This amount excludes the Smarte Carte lease, which is noted below.

### *Smarte Carte*

The Smarte Carte lease is unique in that it typically has greater costs than revenues for the airport. Under the lease, Smarte Carte provides at least 2,000 luggage carts in the Federal Inspection Service (FIS) area free of charge for arriving international passengers. As compensation, the Airport pays Smarte Carte an Annual Service Fee, which is the lesser of per cart fee used in the FIS area or \$4,174,960, subject to annual adjustment.<sup>2</sup> In addition, Smarte Carte pays the Airport the greater of MAG rent, which is \$1,114,747, or 19 percent of gross revenues for luggage carts in areas where they are charged for use. As of this writing, the net difference between the Annual Service Fee and MAG rent is an annual cost of \$1.5 million to the Airport.

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<sup>1</sup> This amount relies on the original MAG amounts and does not include escalation for leases in holdover or under MAG suspension.

<sup>2</sup> From approximately June 2021 through June 2023, the Airport suspended free cart service in the FIS area as a way to reduce costs and increase revenues. During this time, the Annual Service Fee paid to Smarte Carte was suspended and the Airport received greater rents due to sales in the FIS area. Due to improving business conditions, the Airport reinstated free FIS cart service in June 2023 (File 23-0434).

**RECOMMENDATION**

Approve the proposed resolution.

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FlDS  
JJ

**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0183 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Bayport Concessions, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0183, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated August 13, 2013, authorized by Commission Resolution No. 13-0175 and Board of Supervisors Resolution No. 3-15; and

(ii) Amendment No. 2 dated April 21, 2015 authorized by Commission Resolution No. 15-0101 and Board of Supervisors Resolution No. 303-15; and

(iii) Amendment No. 3 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is October 31, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant



operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

"7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of

- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.



19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regards to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which



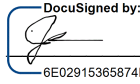
shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Bayport Concessions, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Jose Placencia  
Title: Managing partner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0184 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Elevate Gourmet Brands, Inc (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0184, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated August 13, 2013, authorized by Commission Resolution No. 13-0174 and Board of Supervisors Resolution No. 3-15; and

(ii) Amendment No. 2 dated September 1, 2018, authorized by Commission Resolution No. 18-0003 and Board of Supervisors Resolution No. 282-18.

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 2 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is May 31, 2028. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport

Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing

Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

**19.3 Tropical Hardwood and Virgin Redwood Ban.** The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the

provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs

and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or



receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies,

- and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San

Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other

Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

### 19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.



- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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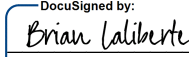
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Elevate Gourmet Brands, Inc,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
DocuSigned by:  
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Name: Brian Laliberte

Title: Chief Executive Officer

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0187 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Urban Tortilla, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0187, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 5, 2011, authorized by Commission Resolution No. 11-0081 and Board of Supervisors Resolution No. 300-11; and

(ii) Amendment No. 2 dated March 20, 2012, authorized by Commission Resolution No. 12-0055 and Board of Supervisors Resolution No. 282-12; and

(iii) Amendment No. 3 dated September 10, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is July 31, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant



operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

"7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of

- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.



19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which




shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Urban Tortilla, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Jonathan Leong \_\_\_\_\_  
Title: president \_\_\_\_\_

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0191 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Guava & Java (SFO), Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0191, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease No. 03-0191 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 5, 2011, authorized by Commission Resolution No. 11-0082 and Board of Supervisors Resolution No. 300-11; and

(ii) Amendment No. 2 dated March 20, 2012, authorized by Commission Resolution No. 12-0056 and Board of Supervisors Resolution No. 282-12; and

(iii) Amendment No. 3 dated March 15, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges

imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is July 31, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive

audience may not be used for comparison. City shall have the right to audit Tenant's compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

"7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered

Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.



(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.



- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Guava & Java (SFO), Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_

DocuSigned by:  
*Rita Bhasker*  
7D0841F40A88416...

Name: Rita Bhasker

Title: President

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_

Christopher W. Stuart  
Deputy City Attorney

DS  
RFDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0192 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes on the Fly San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0192, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 5, 2011, authorized by Commission Resolution No. 11-0084 and Board of Supervisors Resolution No. 516-11; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is July 31, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an



Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not



use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**



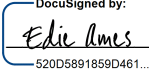
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes on the Fly San Francisco, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
520D5891859D461...

Name: Edie Ames

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

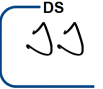
Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0193 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Gotham Enterprises, LLC Coffee IV-VI Series (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0193, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated May 21, 2013, authorized by Commission Resolution No. 13-0015 and Board of Supervisors Resolution No. 158-13; and

(ii) Amendment No. 2 dated August 13, 2013 authorized by Commission Resolution No. 13-0177 and Board of Supervisors Resolution No. 3-15; and

(iii) Amendment No. 3 dated March 11, 2021 authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is May 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant

operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

**“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of



- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card

Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the

remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the



lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony

commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of

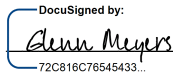
the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Gotham Enterprises, LLC Coffee IV-VI Series,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN FRANCISCO, acting by and through its Airport Commission

By:  \_\_\_\_\_  
Name: Glenn Meyers  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution No. 23-0224 on September 5, 2023, and Resolution No. \_\_\_\_\_ finally passed by the San Francisco Board of Supervisors on \_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0199 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Burger Joint, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0199, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 5, 2011, authorized by Commission Resolution No. 11-0083 and Board of Supervisors Resolution No. 300-11; and

(ii) Amendment No. 2 dated March 20, 2012, authorized by Commission Resolution No. 12-0057 and Board of Supervisors Resolution No. 282-12; and

(iii) Amendment No. 3 dated September 8, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is July 31, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant

operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

**“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).



(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of

- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,



Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.


**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Burger Joint, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Deanna Daibis  
Title: Managing partner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO DOMESTIC TERMINAL FOOD AND BEVERAGE LEASE NO. 03-0200 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 29, 2003, by Resolution No. 03-0200, the Commission awarded to Tenant the Domestic Terminal Food and Beverage Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated August 12, 2013, authorized by Commission Resolution No. 13-0176 and Board of Supervisors Resolution No. 3-15; and

(ii) Amendment No. 2 dated January 24, 2018, authorized by Commission Resolution No. 16-0317 and Board of Supervisors Resolution No. 446-17; and

(iii) Amendment No. 3 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is May 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant

operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

"7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain



testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's



board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Patrick Murray  
Title: Deputy CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 GOURMET MARKET AND WINE BAR LEASE NO. 10-0029 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes on the Fly San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0029, the Commission awarded to Tenant the Terminal 2 Gourmet Market and Wine Bar Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0282 and Board of Supervisors Resolution No. 478-15; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receive the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).



(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check



Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

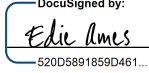
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes on the Fly San Francisco, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
520D5891859D461...

Name: Edie Ames

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

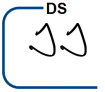
Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 BAKERY AND COFFEE FACILITIES LEASE NO. 10-0030 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Gotham Enterprise, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0030, the Commission awarded to Tenant the Terminal 2 Bakery and Coffee Facilities Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0283 and Board of Supervisors Resolution No. 481-15; and

(ii) Amendment No. 2 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving



expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card

Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the

remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the

lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony



commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of

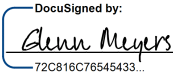
the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Gotham Enterprise, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Glenn Meyers  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 COCKTAIL LOUNGE LEASE NO. 10-0031 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between HBF Soto JV, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0031, the Commission awarded to Tenant the Terminal 2 Cocktail Lounge Lease No. 10-0031 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0284 and Board of Supervisors Resolution No. 486-15; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to



the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations,

Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion



shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
HBF Soto JV, LLC,  
a limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Karen Suttle  
Title: SVP & General Counsel

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

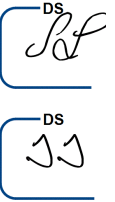
**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 SIT DOWN RESTAURANT LEASE NO. 10-0032 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes on the Fly San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0032, the Commission awarded to Tenant the Terminal 2 Sit Down Restaurant Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0285 and Board of Supervisors Resolution No. 479-15; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.



E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter



constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a



specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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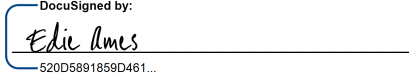
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes on the Fly San Francisco, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
520D5891859D461...

Name: Edie Ames

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
RFDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 QUICK-SERVE LEASE NO. 10-0033 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Sankaku, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0033, the Commission awarded to Tenant the Domestic Terminal 2 Quick-Serve Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

- (i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0286 and Board of Supervisors Resolution No. 482-15; and
- (ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

**19.3 Tropical Hardwood and Virgin Redwood Ban.** The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.



(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card

Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the

remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.



- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the

lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony

commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of


the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Sankaku, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Hiro Hattori  
Title: Secretary

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 QUICK-SERVE LEASE NO. 10-0034 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Andale Management Group, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0034, the Commission awarded to Tenant the Terminal 2 Quick-Serve Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

- (i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0287 and Board of Supervisors Resolution No. 483-15; and
- (ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”



**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.



19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which



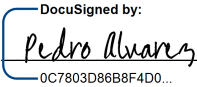
shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Andale Management Group, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Pedro Alvarez  
Title: COO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 QUICK-SERVE LEASE NO. 10-0035 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between BJ Annex, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0035, the Commission awarded to Tenant the Terminal 2 Quick-Serve Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0288 and Board of Supervisors Resolution No. 484-15; and

(ii) Amendment No. 2 dated September 8, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

**19.3 Tropical Hardwood and Virgin Redwood Ban.** The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.



(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card

Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the

remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.



- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the

lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony

commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of

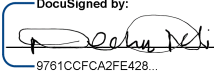
the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
BJ Annex, LLC,  
a limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Deanna Daibis  
Title: Managing partner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution No. 23-0224 on September 5, 2023, and Resolution No. \_\_\_\_\_ finally passed by the San Francisco Board of Supervisors on \_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 QUICK-SERVE LEASE NO. 10-0036 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between HBF Soto JV, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 18, 2010, by Resolution No. 10-0036, the Commission awarded to Tenant the Terminal 2 Quick-Serve Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

- (i) Amendment No. 1 dated December 16, 2015, authorized by Commission Resolution No. 11-0289 and Board of Supervisors Resolution No. 485-15; and
- (ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”



**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably



possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

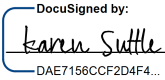
**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
HBF Soto JV, LLC,  
a limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Karen Suttle  
Title: SVP & General Counsel

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
JDSDS  
CM

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 NEWS & SPECIALTY STORE LEASE NO. 11-0210 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Hudson Group (HG) Retail, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 20, 2011, by Resolution No. 11-0210, the Commission awarded to Tenant the Terminal 3 News & Specialty Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated October 16, 2015, authorized by Commission Resolution No. 15-0060 and Board of Supervisors Resolution No. 326-15; and

(ii) Amendment No. 2 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_ for the Facility operated as SF Magazine News. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with



members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance



also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

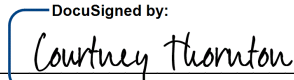
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Hudson Group (HG) Retail, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
NDSDS  
CM

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL AND TERMINAL 3 NEWSSTANDS/CAFÉ LEASE NO. 12-0085 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between World Duty Free Group North America, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On April 17, 2012, by Resolution No. 12-0085, the Commission awarded to Tenant the International Terminal and Terminal 3 Newsstands/Café Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated June 22, 2017, authorized by Commission Resolution No. 17-0033 and Board of Supervisors Resolution No. 243-17; and

(ii) Amendment No. 2 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is May 17, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the

performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s



obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the

grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

- (a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment

with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is

available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under



applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured

within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in

San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement

to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full

responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

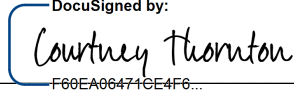
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
World Duty Free Group North America,  
LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
Fl

DS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREA F WINE BAR LEASE NO. 12-0089 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SF Uncork'd, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On April 17, 2012, by Resolution No. 12-0089, the Commission awarded to Tenant the Terminal 3 Boarding Area F Wine Bar Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.



NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport

Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing

Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the

provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with



the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease



(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

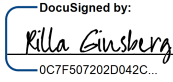
shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SF Uncork'd, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Rilla Ginsberg  
Title: PRESIDENT

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO AIRPORT ADVERTISING LEASE NO. 12-0231 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Clear Channel Outdoor, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 30, 2012, by Resolution No. 12-0231, the Commission awarded to Tenant the Airport Advertising Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Ordinance No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** Subject to Section 4 below, the Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Required Installations; Deadline.** Tenant shall be required to install its permanent equipment in Harvey Milk Terminal 1, as specified in the Lease, including developing locations B1, B2, and D1 as digital displays (“**Required Installations**”). In the event the Required Installations are not finally completed by October 31, 2024, the COVID-19 Lease Extension Program shall be revoked and the extension of the Term set forth in Section 3 above shall be void and of no further effect. Notwithstanding the foregoing, the October 31, 2024 deadline shall be extended on a day-for-day basis should any of the following occur: (1) this Amendment is not fully approved by the Board of Supervisors by February 1, 2024; (2) Tenant has not secured all required approvals from BICE by June 1, 2024, despite its best efforts to do so; or (3) City does not deliver the space to Tenant by June 1, 2024. The day-for-day extension of the October 31, 2024 deadline shall be cumulative for the occurrence of each of the foregoing events.

**5. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.10 is added to the end of Section 7 of the Lease:

“7.10 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and

accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**6. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another



purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was

discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's

obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of

these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the



right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to

comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance [Intentionally Deleted].

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 **Green Building Requirements.** Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 **Plastic Beverage Container Restrictions.** Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**7. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

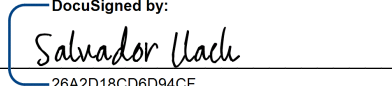
**8. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Clear Channel Outdoor, LLC,  
a Delaware Limited Liability Company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Salvador Llach  
Title: Deputy General Counsel

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO BOARDING AREA E NEWSSTAND LEASE NO. 13-0136, A SMALL BUSINESS ENTERPRISE SET-ASIDE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Skyline Concessions, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On June 11, 2013, by Resolution No. 13-0136, the Commission awarded to Tenant the Boarding Area E Newsstand Lease, a Small Business Enterprise Set-Aside (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

(ii) Amendment No. 2 dated May 25, 2021, authorized by Commission Resolution No. 20-0250 and Board of Supervisors Resolution No. 202-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.



(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of

each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor

be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally

Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired

Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision

and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the

Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.



19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall

contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to

exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations

under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and

Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or

distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant

in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable

provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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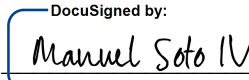
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Skyline Concessions, Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
BA155271760C422...  
Name: Manuel Soto IV  
Title: CEO/Owner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

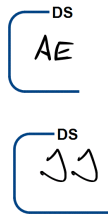
Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO AIRPORT AMENITIES AND BUSINESS SERVICES LEASE NO. 13-0202 LEASE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Airport Travel Agency, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 13, 2013, by Resolution No. 13-0202, the Commission awarded to Tenant the Airport Amenities and Business Services Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21; and

(ii) Amendment No. 2 dated May 3, 2021, authorized by Commission Resolution No. 20-0248 and Board of Supervisors Resolution No. 152-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with



members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance



also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

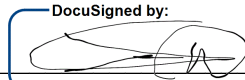
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Airport Travel Agency, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
ACF46CCC31694E7...  
Name: Linard Davis  
Title: President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
JDSDS  
cm

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 SPECIALTY RETAIL STORE LEASE A, LEASE NO. 15-0039 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between World Duty Free Group North America, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On February 17, 2015, by Resolution No. 15-0039, the Commission awarded to Tenant the Terminal 3 Specialty Retail Store Lease A (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting



that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the



MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

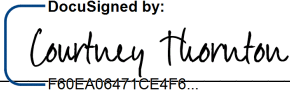
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
World Duty Free Group North America,  
LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL SPECIALTY RETAIL STORE LEASE NO. 15-0227 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Hudson Group (HG) Retail, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 27, 2015, by Resolution No. 15-0227, the Commission awarded to Tenant the International Terminal Specialty Retail Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.



NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is March 31, 2028. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in



the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Hudson Group (HG) Retail, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FADS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 1, LEASE NO. 16-0012 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Andale Management Group, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0012, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 1 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Dates are July 31, 2030 for the Facility operated as Valencia Street Station. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

**19.3 Tropical Hardwood and Virgin Redwood Ban.** The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no



person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of the Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.



- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

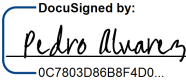
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Andale Management Group, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Pedro Alvarez  
Title: COO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 2, LEASE NO. 16-0013 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between High Flying Foods, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0013, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City



enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations,

Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check



Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

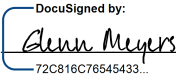
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
High Flying Foods, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Glenn Meyers  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 3, LEASE NO. 16-0014 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes On The Fly SFO International, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0014, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 3 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0312 and Board of Supervisors Resolution No. 458-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21; and

(iii) Amendment No. 3 dated May 16, 2023 authorized by Commission Resolution No. 23-0080 and Board of Supervisors Resolution No. 227-23.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges

imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

### AGREEMENT:

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is January 31, 2034. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive

audience may not be used for comparison. City shall have the right to audit Tenant's compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered

Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving



expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor

Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a



collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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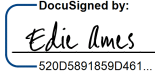
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes on the Fly SFO International, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
520D5891859D461...

Name: Edie Ames

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 4, LEASE NO. 16-0015 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Asian Box Palo Alto, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0015, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 4 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is June 30, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to



the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section



12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

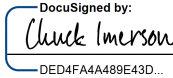
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Asian Box Palo Alto, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
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By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

Name: Chuck Imerson

Title: CEO

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 5, LEASE NO. 16-0016 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Elevated Tastes SFO Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0016, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 5 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0221 and Board of Supervisors Resolution No. 459-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.



D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is November 30, 2032. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with



the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease



(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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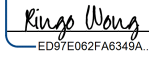
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Elevated Tastes SFO Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
ED97E062FA6349A...

Name: Ringo Wong

Title: Owner

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSIONS LEASE 7, LEASE NO. 16-0017 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0017, the Commission awarded to Tenant the International Terminal Food and Beverage Concessions Lease 7 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated January 24, 2018, authorized by Commission Resolution No. 16-0303 and Board of Supervisors Resolution No. 445-17; and

(ii) Amendment No. 2 dated November 4, 2020, authorized by Commission Resolution No. 19-0216 and Board of Supervisors Resolution No. 460-20; and

(iii) Amendment No. 3 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges

imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is November 30, 2032. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive

audience may not be used for comparison. City shall have the right to audit Tenant's compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered

Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.



19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.



19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which


shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Patrick Murray  
Title: Deputy CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 10, LEASE NO. 16-0020 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America SFO, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0020, the Commission awarded to Tenant the International Terminal Food and Beverage Concessions Lease 10 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0223 and Board of Supervisors Resolution No. 462-20; and

(ii) Amendment No. 2 dated September 15, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.



D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is February 28, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter



constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a



specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

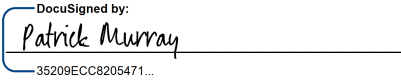
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America SFO, LLC,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Patrick Murray  
Title: Executive Vice President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSIONS LEASE 11, LEASE NO. 16-0021 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Bayport Concessions, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0021, the Commission awarded to Tenant the International Terminal Food and Beverage Concessions Lease 11 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0222 and Board of Supervisors Resolution No. 463-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is October 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.



€ This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §121-1 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance)

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 'f City's Charter, Article III, Chapter 2 'f City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 7.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the

generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.



- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

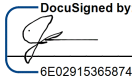
shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Bayport Concessions, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
6E02915365874D4...

Name: Jose Placencia

Title: Managing partner

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

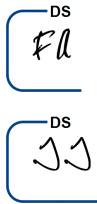
Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 12, LEASE NO. 16-0022 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SF Foodways, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0022, the Commission awarded to Tenant the International Terminal Food and Beverage Concession Lease 12 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is July 31, 2027 for both locations. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”



**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably



possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

**19.29 Worker Retention Policy.** Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

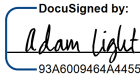
**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SF Foodways, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
93A6009464A4455...

Name: Adam Light

Title: Partner

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FLDS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSIONS LEASE 14, LEASE NO. 16-0024 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On January 19, 2016, by Resolution No. 16-0024, the Commission awarded to Tenant the International Terminal Food and Beverage Concessions Lease 14 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is June 30, 2027. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

**19.1 MacBride Principles - Northern Ireland.** Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

**19.2 Charter.** The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

**19.3 Tropical Hardwood and Virgin Redwood Ban.** The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);



- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any



person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

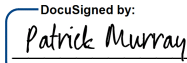
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
35209ECC8205471...

Name: Patrick Murray

Title: Deputy CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
RF

DS  
JJ

**AMENDMENT NO. 2 TO  
SNACK AND BEVERAGE VENDING LEASE NO. 16-0242  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO SNACK AND BEVERAGE VENDING LEASE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Gilly National, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 6, 2016, by Resolution No. 16-0242, the Commission awarded to Tenant the Snack and Beverage Vending Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated September 15, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21; and

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San

Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are



tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the

Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from

participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-

- discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section



12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**


IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Gilly National, Inc.,  
a Florida corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
BD86BD66A39643E...

Name: Gilda Rosenberg

Title: President

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 RETAIL MARKETPLACE LEASE NO. 16-0256 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between MRG San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 4, 2016, by Resolution No. 16-0256, the Commission awarded to Tenant the Terminal 3 Retail Marketplace Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.



NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is January 31, 2028. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);

- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy

No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further



agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by

Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement

fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement

that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors'

compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign

contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made

from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in

furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

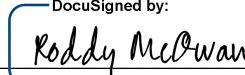
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
MRG San Francisco, LLC,  
a Nevada limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
C51E4AED792A4EF...  
Name: Roddy McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 1, NO. 16-0309 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between San Francisco Soup Company (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0309, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 1 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0207 and Board of Supervisors Resolution No. 464-20; and

(ii) Amendment No. 2 dated September 8, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is March 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.



(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain

testing entities (42 USC §121-1 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

(19) 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 'f City's Charter, Article III, Chapter 2 'f City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 7.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the

generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.



- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

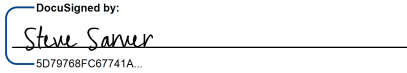
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

San Francisco Soup Company,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
DocuSigned by:  
Steve Sarver  
SD79768FC67741A...

Name: Steve Sarver

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
RF  
DS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREA F FOOD & BEVERAGE CONCESSION LEASE 2, LEASE NO. 16-0310 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Silver Dragon Café, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0310, the Commission awarded to Tenant the Terminal 3 Boarding Area F Food & Beverage Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0210 and Board of Supervisors Resolution No. 465-20; and

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

## AGREEMENT:

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is February 28, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.



**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

**“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will

constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on

the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City,

operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to

Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and

Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws,

including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact



person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card

Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons

required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less

than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.


**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Silver Dragon Café, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
6F7E3A1C106F4E2...

Name: Lilly Mar

Title: 2/8/23

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
RFDS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 3, LEASE NO. 16-0311 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Gate 74, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0311, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 3, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0208 and Board of Supervisors Resolution No. 466-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain



testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause substantially in the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving

expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with

the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

#### 19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's



board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

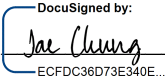
shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Gate 74, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Jae Chung  
Title: President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 4, LEASE NO. 16-0312 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Amoura International, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0312, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 4 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0311 and Board of Supervisors Resolution No. 467-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is September 30, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").



(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of

- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,



Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**



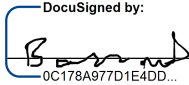
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Amoura International, Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Sam Shihadeh  
Title: President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 5, LEASE NO. 16-0313 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Bun Mee, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0313, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 and Boarding Area C Food and Beverage Concession Lease 5 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 15, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City

enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);



- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any



person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

**19.29 Worker Retention Policy.** Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

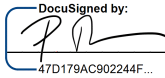
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Bun Mee, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
47D179AC902244F...

Name: Denise Tran

Title: Founder, CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney




**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 7, LEASE NO. 16-0315 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes on the Fly San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0315, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 7 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0209 and Board of Supervisors Resolution No. 468-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is September 30, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any



tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all

televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of

- Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other

than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-

ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules,

Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.



(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's

board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a

collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease

(including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which

shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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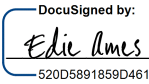
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes on the Fly San Francisco, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
520D5891859D461...

Name: Edie Ames

Title: CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

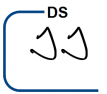
Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE CONCESSION LEASE 8, LEASE NO. 16-0316 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between HFF-BRH-SFO, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 6, 2016, by Resolution No. 16-0316, the Commission awarded to Tenant the Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 8 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0203 and Board of Supervisors Resolution No. 469-20; and

(ii) Amendment No. 2 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program,(the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is April 30, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such



employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.



19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

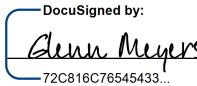
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
HFF-BRH-SFO, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Glenn Meyers  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
NDSDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL NEWSSTAND AND SPECIALTY RETAIL CONCESSION LEASE NO. 1, LEASE NO. 17-0207 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between HG SFO Retailers 2017 JV (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 5, 2017, by Resolution No. 17-0207, the Commission awarded to Tenant the International Terminal Newsstand and Specialty Retail Concession Lease 1 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is May 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the

California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City



will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor



through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

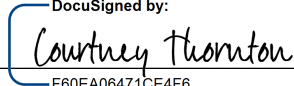
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
HG SFO Retailers 2017 JV,  
a California joint venture

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL NEWSSTAND AND SPECIALTY RETAIL CONCESSION LEASE 2, LEASE NO. 17-0208 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Stellar Partners, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 5, 2017, by Resolution No. 17-0208, the Commission awarded to Tenant the International Terminal Newsstand and Specialty Retail Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0215 and Board of Supervisors Resolution No. 470-20; and

(ii) Amendment No. 2 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.



(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of

each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor

be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally

Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired

Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision

and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the

Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.



19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall

contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to

exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations

under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and

Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or

distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant

in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable

provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**




IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Stellar Partners, Inc.,  
a Florida corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Padraig Drennan, CEO  
Title: CEO & President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL SPECIALTY CONCESSION LEASE 3, LEASE NO. 17-0209 LEASE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between DFS Group, L.P. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 5, 2017, by Resolution No. 17-0209, the Commission awarded to Tenant the International Terminal Specialty Concession Lease 3 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0213 and Board of Supervisors Resolution No. 471-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

### **AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is July 31, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with



members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance



also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
DFS Group, L.P.,  
a Delaware Limited partnership

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL SPECIALTY CONCESSION LEASE 4, LEASE NO. 17-0210 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Canonica New York, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 5, 2017, by Resolution No. 17-0210, the Commission awarded to Tenant the International Terminal Specialty Concession Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0218 and Board of Supervisors Resolution No. 472-20; and

(ii) Amendment No. 2 dated March 22, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is December 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the



foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the



MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Canonica New York, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Sebastien Canonica  
Title: Director

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL NEWSSTAND LEASE 5, LEASE NO. 17-0211 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Stellar Partners, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 5, 2017, by Resolution No. 17-0211, the Commission awarded to Tenant the International Terminal Newsstand Lease 5 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0219 and Board of Supervisors Resolution No. 473-20; and

(ii) Amendment No. 2 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.



E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the

California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in



the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

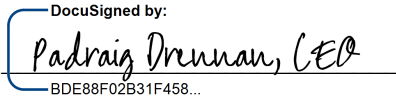
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Stellar Partners, Inc.,  
a Florida corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Padraig Drennan, CEO  
Title: CEO & President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

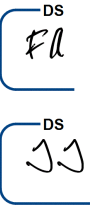
**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL "A" FOOD HALL AND CAFÉ CONCESSION LEASE NO. 17-0238 (this "**Amendment**") is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. ("**Tenant**") and City and County of San Francisco ("**City**"), acting by and through its Airport Commission ("**Commission**").

**RECITALS:**

A. On October 3, 2017, by Resolution No. 17-0238, the Commission awarded to Tenant the International Terminal "A" Food Hall and Café Concession Lease (as amended, the "**Lease**") at San Francisco International Airport ("**Airport**"). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0214 and Board of Supervisors Resolution No. 474-20; and

(ii) Amendment No. 2 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission's authorization of the COVID-19 Emergency Rent Relief Program (the "**COVID-19 Rent Relief Program**") which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the "**COVID-19 Lease Extension Program**") with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant's ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport's revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport's Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is June 30, 2034. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“**Street Pricing Program**”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.



19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.



- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

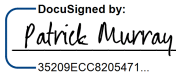
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
35209ECC8205471...

Name: Patrick Murray

Title: Deputy CEO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL "A" HISTORIC RESTAURANT CONCESSION LEASE NO. 17-0239 (this "**Amendment**") is dated as of the Effective Date (as defined below) and entered into by and between Andre-Boudin Bakeries, Inc. ("**Tenant**") and City and County of San Francisco ("**City**"), acting by and through its Airport Commission ("**Commission**").

**RECITALS:**

A. On October 3, 2017, by Resolution No. 17-0239, the Commission awarded to Tenant the International Terminal "A" Historic Restaurant Concession Lease (as amended, the "**Lease**") at San Francisco International Airport ("**Airport**"). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0212 and Board of Supervisors Resolution No. 475-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission's authorization of the COVID-19 Emergency Rent Relief Program (the "**COVID-19 Rent Relief Program**") which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the "**COVID-19 Lease Extension Program**") with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant's ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport's revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport's Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is March 31, 2034. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.8 is added to the end of Section 7 of the Lease:

“7.8 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).



(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check



Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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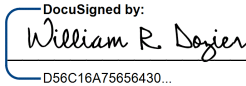
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Andre-Boudin Bakeries, Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
D56C16A75656430...

Name: William R. Dozier

Title: CFO

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL "A" COFFEE KIOSK CONCESSION LEASE NO. 17-0254 (this "**Amendment**") is dated as of the Effective Date (as defined below) and entered into by and between Black Point Coffee SFO, LLC ("**Tenant**") and City and County of San Francisco ("**City**"), acting by and through its Airport Commission ("**Commission**").

**RECITALS:**

A. On October 17, 2017, by Resolution No. 17-0254, the Commission awarded to Tenant the International Terminal "A" Coffee Kiosk Concession Lease No. 17-0254 (as amended, the "**Lease**") at San Francisco International Airport ("**Airport**"). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0211 and Board of Supervisors Resolution No. 476-20; and

(ii) Amendment No. 2 dated March 15, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 3 evidenced the Commission's authorization of the COVID-19 Emergency Rent Relief Program (the "**COVID-19 Rent Relief Program**") which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the "**COVID-19 Lease Extension Program**") with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant's ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport's revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport's Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is June 30, 2032. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such



employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.



19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

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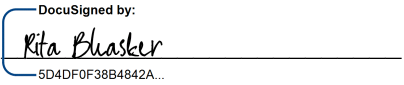
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Black Point Coffee SFO, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Rita Bhasker  
Title: President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
NDSDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE 1, LEASE NO. 18-0071 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Brookstone SFO T-2, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 20, 2018, by Resolution No. 18-0071, the Commission awarded to Tenant the Terminal 2 Specialty Retail Concession Lease 1 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City



will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor



through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

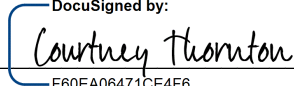
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Brookstone SFO T-2, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE 3, LEASE NO. 18-0073 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Canonica New York, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 20, 2018, by Resolution No. 18-0073, the Commission awarded to Tenant the Terminal 2 Specialty Retail Concession Lease 3 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0205 and Board of Supervisors Resolution No. 477-20; and

(ii) Amendment No. 2 dated March 21, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is October 5, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday



work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.



19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.


**[Remainder of Page Intentionally Left Blank]**



IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Canonica New York, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Sebastien Canonica  
Title: Director

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
Fl

DS  
JJ

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 2 CASUAL DINING FOOD AND BEVERAGE CONCESSION LEASE 6, LEASE NO. 18-0074 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 20, 2018, by Resolution No. 18-0074, the Commission awarded to Tenant the Terminal 2 Casual Dining Food and Beverage Concession Lease 6 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0204 and Board of Supervisors Resolution No. 478-20; and

(ii) Amendment No. 2 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is October 30, 2034. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;



- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed



any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Patrick Murray  
Title: Deputy CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO AIRPORT AUTOMATED RETAIL LEASE NO. 18-0175 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Swyft, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On June 5, 2018, by Resolution No. 18-0175, the Commission awarded to Tenant the Airport Automated Retail Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated September 10, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is January 31, 2028. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.



19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);

- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy

No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further

agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by

Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement

fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement



that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors'

compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign

contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made

from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in

furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

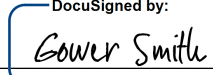
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Swyft, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Gower Smith  
Title: President & Cofounder

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 RETAIL CONCESSION LEASE 1, LEASE NO. 18-0203 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between InMotion SFO, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0203, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 1, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0198 and Board of Supervisors Resolution No. 479-20; and

(ii) Amendment No. 2 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.



E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in



the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

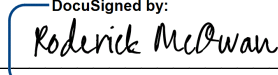
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
InMotion SFO, LLC,  
a Florida limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 RETAIL CONCESSION LEASE 2, LEASE NO. 18-0204 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Paradies Lagardere @ SFO 2018, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0204, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0199 and Board of Supervisors Resolution No. 480-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2032. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;



- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to



or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

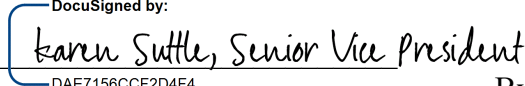
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Paradies Lagardere @ SFO 2018, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Karen Suttle, Senior Vice President  
Title: SVP & General Counsel

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 RETAIL CONCESSION LEASE 4, LEASE NO. 18-0205 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between L'Occitane Airport Venture, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0205, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 4 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 2 years, 10 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."



**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It



is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
L'Occitane Airport Venture, LLC,  
a Florida limited liability corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



DS  
ERDDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 RETAIL CONCESSION LEASE 5, LEASE NO. 18-0206 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between The Marshall Retail Group, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0206, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 5 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 2 months (“COVID Extension Term”), and the new Expiration Date is \_\_\_\_\_ the Facility operated as DepARTures. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.



19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the



extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

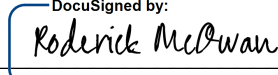
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
The Marshall Retail Group, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
C51E4AED792A4EF...  
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 RETAIL CONCESSION LEASE 6, LEASE NO. 18-0207 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between RAKH, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0207, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 6 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 2 years, 5 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."



(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);

- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy

No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further

agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by

Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement

fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement

that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors'



compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign

contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made

from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in

furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

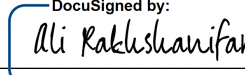
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
RAKH, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
39F46C8959584D6...  
Name: Ali Rakhshanifar  
Title: President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 RETAIL CONCESSION LEASE 7, LEASE NO. 18-0208 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Skyline Concessions, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0208, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 7 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0200 and Board of Supervisors Resolution No. 481-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2032. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday



work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.



19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**



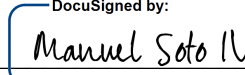
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Skyline Concessions, Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
BA155271760C422...  
Name: Manuel Soto IV  
Title: CEO/Owner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 1, LEASE NO. 18-0209 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Bun Mee, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0209, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 1, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0196 and Board of Supervisors Resolution No. 482-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;



- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed



any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

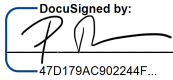
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Bun Mee, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Denise Tran  
Title: Founder, CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

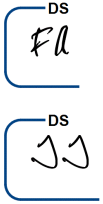
**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 2, LEASE NO. 18-0210 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SSP America, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0210, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 2, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0202 and Board of Supervisors Resolution No. 483-20; and

(ii) Amendment No. 2 dated April 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any



tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion



shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SSP America, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Patrick Murray  
Title: Deputy CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 3, LEASE NO. 18-0211 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Amy's Kitchen Restaurant Operating Company, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0211, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 3, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0194 and Board of Supervisors Resolution No. 484-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.



E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter



constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a



specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Amy's Kitchen Restaurant Operating Company, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO, acting by and through its Airport Commission

By:   
Name: Greg Flandermeyer  
Title: VP of Restaurant Operations

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution No. 23-0224 on September 5, 2023, and Resolution No. \_\_\_\_\_ finally passed by the San Francisco Board of Supervisors on \_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 4, LEASE NO. 18-0212 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Paradies Lagardere @SFO 2018 (F&B), LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0212, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 4 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0195 and Board of Supervisors Resolution No. 485-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.



19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such

employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.



- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

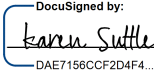
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Paradies Lagardere @SFO 2018 (F&B),  
LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Karen Suttle  
Title: SVP & General Counsel

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney




**AMENDMENT NO. 3 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 5, LEASE NO. 18-0213 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Tastes On The Fly San Francisco, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0213, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 5 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0201 and Board of Supervisors Resolution No. 486-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City



enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to

the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R.

section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

**19.9 Federal Affirmative Action Regulations.** Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no

person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents



and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

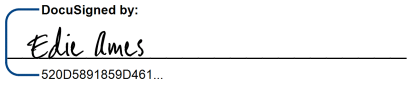
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Tastes On The Fly San Francisco, LLC,  
a California limited liability company

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Edie Ames  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

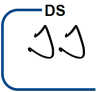
Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 3 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 3 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 6, LEASE NO. 18-0214 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Soaring Food Group, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0214, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 6 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated November 4, 2020, authorized by Commission Resolution No. 19-0197 and Board of Supervisors Resolution No. 487-20; and

(ii) Amendment No. 2 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 2 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is January 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an

Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any

tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances

with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;

- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such



employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter

constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not

use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check

Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion

shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available

on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed

any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.



19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a

specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

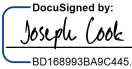
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Soaring Food Group, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
BD168993BA9C445...

By: \_\_\_\_\_

Name: Joseph Cook

Name: Ivar C. Satero

Title: Airport Director

Title: President & CEO

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 7, LEASE NO. 18-0215 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Lady Luck Gourmet, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0215, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 7 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 3 months (“COVID Extension Term”), and the new Expiration Date is August 31, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

**“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San

Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are

tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the



Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from

participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-

discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.



- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

**19.29 Worker Retention Policy.** Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

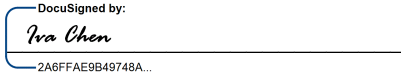
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Lady Luck Gourmet, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
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By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

Name: Iva Chen  
Title: Director of Business Development

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FLDS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 9, LEASE NO. 18-0216 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between SF Foodways, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0216, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 9 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated September 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years, 9 months (“COVID Extension Term”), and the new Expiration Date is August 30, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”



**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San

Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are

tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the

Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from

participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-

- discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably



possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any

person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

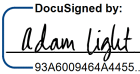
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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
SF Foodways, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
93A6009464A4455...

Name: Adam Light

Title: Partner

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 8, LEASE NO. 18-0217 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Host International, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On July 10, 2018, by Resolution No. 18-0217, the Commission awarded to Tenant the Terminal 1 Food and Beverage Concession Lease 8, (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated April 12, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years, 1 month (“COVID Extension Term”), and the new Expiration Date is August 31, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

**“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San

Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are

tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the

Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from

participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-



- discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably

possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents

and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section

12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- (a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- (c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.
- (e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.
- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.

- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any



person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures,

and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Host International, Inc.,  
a Delaware corporation

By:  \_\_\_\_\_  
Name: Jeff Poersch  
Title: Asst. Secretary

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO INTERNATIONAL TERMINAL BOARDING AREA A ELECTRONICS STORE LEASE NO. 18-0231 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between InMotion SFO-IT, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On August 7, 2018, by Resolution No. 18-0231, the Commission awarded to Tenant the International Terminal Boarding Area A Electronics Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is June 30, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the

California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting



that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the



MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
InMotion SFO-IT, LLC,  
a Florida limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
C51E4AED792A4EF...  
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREAS E AND F ELECTRONICS STORES LEASE NO. 18-0232 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between InMotion SFO-T3, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On August 7, 2018, by Resolution No. 18-0232, the Commission awarded to Tenant the Terminal 3 Boarding Areas E and F Electronics Stores Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.



E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years, 11 months (“COVID Extension Term”), and the new Expiration Date is August 31, 2033; this new Expiration Date applies to InMotion Entertainment located in Terminal 3 Boarding Area E. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday

work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the

foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this

Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in



the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

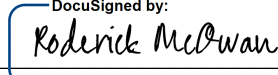
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
InMotion SFO-T3, LLC,  
a Florida limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
C51E4AED792A4EF...  
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREA E RETAIL SPECIALTY STORE LEASE NO. 18-0233 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Air Sun JV dba Sunglass Hut (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On August 7, 2018, by Resolution No. 18-0233, the Commission awarded to Tenant the Terminal 3 Boarding Area E Retail Specialty Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is June 30, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the

California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;



- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to



or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

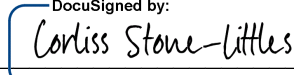
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Air Sun JV,  
Texas general partnership

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Corliss Stone-Littles  
Title: Managing Member

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 BOARDING AREA E CANDY KIOSK LEASE NO. 18-0284 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Canonica New York, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On September 4, 2018, by Resolution No. 18-0284, the Commission awarded to Tenant the Terminal 3 Boarding Area E Candy Kiosk Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 22, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), and the new Expiration Date is January 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."



**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It



is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Canonica New York, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 2 SUNGLASS STORE LEASE NO. 18-0345 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Air Sun JV dba Sunglass Hut (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 16, 2018, by Resolution No. 18-0345, the Commission awarded to Tenant the Terminal 2 Sunglass Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is June 30, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);

- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy



No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further

agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by

Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement

fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement

that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors'

compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign

contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made

from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in



furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Air Sun JV,  
Texas general partnership

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Corliss Stone-Littles  
Title: Managing Member

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 3 COFFEE AND QUICK SERVE CONCESSION LEASE NO. 18-0346 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC, a joint venture d.b.a. Elevate Gourmet Brands - SFO Group (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 16, 2018, by Resolution No. 18-0346, the Commission awarded to Tenant the Terminal 3 Coffee and Quick Serve Concession Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“COVID Extension Term”), only for the Green Beans Coffee location in Terminal 3. The second location under the Lease, SF Mac + Cheese Kitchen, is not eligible for the Covid Extension Term. The new Expiration Date for Green Beans Coffee in Terminal 3 is September 30, 2031. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend

or modify the Airport's Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease."

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

"7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) "Covered Work" means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) "Threshold Amount" means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) "Prevailing Wage or Prevailing Rate of Wage" means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.



## 19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “Acts and Regulations”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the

Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial

data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor

Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO.

Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not



tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by

such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City's other rights and remedies under this Lease, the City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited,

received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC, a joint venture d.b.a. Elevate Gourmet Brands - SFO Group, a California Corporation

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO, acting by and through its Airport Commission

By:   
Name: Brian Laliberte  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution No. 23-0224 on September 5, 2023, and Resolution No. \_\_\_\_\_ finally passed by the San Francisco Board of Supervisors on \_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO BOARDING AREA C RETAIL CONCESSION LEASE NO. 1, LEASE NO. 18-0367 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between HG SFO Retailers 2017 JV (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On November 20, 2018, by Resolution No. 18-0367, the Commission awarded to Tenant the Boarding Area C Retail Concession Lease No. 1 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.



NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is May 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in



the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.



19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
HG SFO Retailers 2017 JV,  
a California joint venture

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Courtney Thornton  
Title: EVP, Business Development

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO BOARDING AREA C RETAIL CONCESSION LEASE 2, LEASE NO. 18-0368 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between The Marshall Retail Group, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On November 20, 2018, by Resolution No. 18-0368, the Commission awarded to Tenant the Boarding Area C Retail Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 11, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years, 9 months (“COVID Extension Term”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;



- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It

is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to



or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

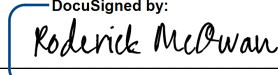
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
The Marshall Retail Group, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
C51E4AED792A4EF...  
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 2 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 2 TO TERMINAL 1 RETAIL CONCESSION LEASE 3, LEASE NO. 18-0395 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Emporio Rulli, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On December 18, 2018, by Resolution No. 18-0395, the Commission awarded to Tenant the Terminal 1 Retail Concession Lease 3 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 26, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 6 months (“**COVID Extension Term**”), and the new Expiration Date is March 31, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.8 is added to the end of Section 7 of the Lease:

“7.8 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor

employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."



**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport’s Quality Control Department. Nothing in this Lease shall limit Tenant’s obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting

that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City

will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;

- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with

members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in

the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant’s compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It



is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the

MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor

through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to

or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance

also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the

extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

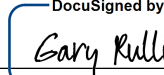
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Emporio Rulli, Inc.,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Gary Rulli  
Title: president and owner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE 2, LEASE NO. 19-0053 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Apparel Sourcing and Production, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 19, 2019, by Resolution No. 19-0053, the Commission awarded to Tenant the Terminal 2 Specialty Retail Concession Lease 2 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years (“COVID Extension Term”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers

performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the

MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or

contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the

- programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
  - The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the



Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that

person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and

Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

- (d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.
- (e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.
- (f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- (g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- (i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property

confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any

practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same

individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the

labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to



comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Apparel Sourcing and Production, LLC,  
a California limited liability company

By:   
8B89D5CF7BFE458...  
Name: Tommy Pham  
Title: President

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City  
only):** \_\_\_\_\_

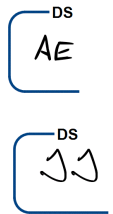
Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 4 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 4 TO AIRPORT LUGGAGE CART LEASE AND OPERATING AGREEMENT LEASE NO. 19-0069 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Smarte Carte, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On April 2, 2019, by Resolution No. 19-0069, the Commission awarded to Tenant the Airport Luggage Cart Lease and Operating Agreement Lease No. 19-0069 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

(i) Amendment No. 1 dated March 9, 2021, authorized by Commission Resolution No. 20-0180 and Board of Supervisors Resolution No. 5-21; and

(ii) Amendment No. 2 dated June 4, 2021, authorized by Commission Resolution No. 21-0089 and Board of Supervisors Resolution No. 221-21; and

(iii) Amendment No. 3 dated June 9, 2023, authorized by Commission Resolution No. 23-0090 and Board of Supervisors Resolution No. 264-23.

B. Amendment No. 1 evidenced the Commission’s authorization of the COVID-19 Emergency Rent Relief Program (the “**COVID-19 Rent Relief Program**”) which provided for the rent relief to address the devastating financial impacts of the COVID-19 pandemic on concession tenants.

C. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges

imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

D. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

E. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 3 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is June 30, 2029. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or

costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including

the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the



grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

- (a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities,

privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III,

Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with

the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator

certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time

off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations



substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 **Green Building Requirements.** Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 **Plastic Beverage Container Restrictions.** Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

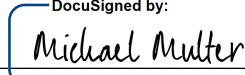
**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Smarte Carte, Inc.  
a Minnesota corporation

**CITY:**  
CITY AND COUNTY OF SAN FRANCISCO, acting by and through its Airport Commission

By:   
Name: Michael Multer  
Title: Vice President

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution No. 23-0224 on September 5, 2023, and Resolution No. \_\_\_\_\_ finally passed by the San Francisco Board of Supervisors on \_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE KIOSK LEASE NO. 19-0244, A SMALL BUSINESS ENTERPRISE SET-ASIDE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Park Café Group, Inc (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 1, 2019, by Resolution No. 19-0244, the Commission awarded to Tenant the Terminal 1 Boarding Area C Food and Beverage Kiosk Lease, A Small Business Enterprise Set-Aside (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 1 year, 7 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.



**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to

comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee,

permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will

require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination

includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and

all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant



were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under

Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior

written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered

Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full

responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

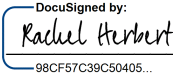
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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Park Café Group, Inc,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
98CF57C39C50405...

Name: Rachel Herbert

Title: president

By: \_\_\_\_\_

Name: Ivar C. Satero

Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
FlDS  
JJ

**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO TERMINAL 3 BOARDING AREA F FOOD AND BEVERAGE KIOSK LEASE NO. 19-0245, A SMALL BUSINESS ENTERPRISE SET-ASIDE (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Sidewalk Juice SFO, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 1, 2019, by Resolution No. 19-0245, the Commission awarded to Tenant the Terminal 3 Boarding Area F Food and Beverage Kiosk Lease No. 19-0245, A Small Business Enterprise Set-Aside (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 2 years, 6 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching

party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives,

successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP



persons have meaningful access to your programs (70 CFR at 74087 to 74100); and

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property

are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall

indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i)

provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under

Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior



written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered

Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full

responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Sidewalk Juice SFO, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By: DocuSigned by:  
*Ghassan Daibis*  
B9ABE81B48F34BB...  
Name: Ghassan Daibis  
Title: Owner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

DS  
ERDDS  
CM

**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO TERMINAL 3 BOARDING AREA F NEWS AND MULTI-CONCEPT RETAIL STORE LEASE NO. 19-0246 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between MRG San Francisco Terminal 3, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On October 1, 2019, by Resolution No. 19-0246, the Commission awarded to Tenant the Terminal 3 Boarding Area F News and Multi-Concept Retail Store Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “Effective Date”).

**3. Term.** The Term of the Lease is extended by 2 years, 7 months (“COVID Extension Term”), and the new Expiration Date is August 31, 2030. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers

performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the

MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.



19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or

contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the

- programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
  - The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the

Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that

person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and

Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

- (d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.
- (e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.
- (f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- (g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- (i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property



confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any

practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same

individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the

labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to

comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
MRG San Francisco Terminal 3, LLC,  
a Delaware limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Roderick McOwan  
Title: Chief Development Officer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

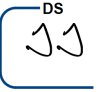
**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO HARVEY MILK TEMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 10, LEASE NO. 20-0041 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Proper Food SFO Airport, LLC (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 17, 2020, by Resolution No. 20-0041, the Commission awarded to Tenant the Harvey Milk Teminal 1 Food and Beverage Concession Lease 10, Lease No. 20-0041 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:



## **AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 1 year, 2 months (“**COVID Extension Term**”), and the new Expiration Date is September 30, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

**“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to

comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee,

permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will

require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination

includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and



all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession, or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant

were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons

required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less

than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An "all-gender toilet facility" means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and "extensive renovations" means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.



19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

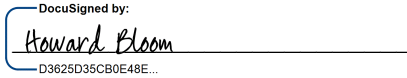
**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Proper Food SFO Airport, LLC,  
a California limited liability company

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
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By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

Name: Howard Bloom

Title: Managing Member

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO HARVEY MILK TEMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 13, LEASE NO. 20-0043 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Culinary Heights Hospitality (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 17, 2020, by Resolution No. 20-0043, the Commission awarded to Tenant the Harvey Milk Teminal 1 Food and Beverage Concession Lease 13, Lease No. 20-0043 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022, as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

## **AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 11 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Street Pricing Program.** The provisions of Section 3.6 [Prices] of the Lease are hereby deleted and replaced with the following:

“Tenant’s prices for food and beverages sold in the Premises under the Permitted Uses of this Lease shall be the same as or comparable to prices found in Tenant’s menu at Tenant’s other food and beverage facilities, or at such other locations determined by Director, and shall otherwise comply with the Airport’s Street Pricing Program (“Street Pricing Program”). The prices shall be deemed “comparable” if it is no more than 11% higher than the price for the comparable item at tenant’s off-Airport locations, or other locations as determined by Director. For purposes of the Street Pricing Program, if Tenant is a licensee of a restaurant concept, then the street pricing comparison shall be to the other restaurants with the same concept operated by the licensor or other licensees. Stadiums, entertainment venues, resorts, hotels, and any venue which has a captive audience may not be used for comparison. City shall have the right to audit Tenant’s compliance with the Street Pricing Program in the same manner as the audit of Tenant operations pursuant to this Lease. Tenant acknowledges and agrees that City may amend or modify the Airport’s Street Pricing Program from time to time by issuance of an Airport Operations Bulletin or an amendment to the Airport Rules, and any such amendment or modification shall control over this Section of this Lease.”

**5. Employee Benefit Surcharges Excluded from Gross Rent.** For the avoidance of doubt, surcharges imposed by Tenant under the EBS Policy authorized by Airport Commission Resolution No. 22-0168 for Tenants meeting certain criteria, shall not be included in the calculation of Gross Revenues and therefore are not subject to the Percentage Rent calculation under the Lease.

**6. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

**“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.**

(a) For purposes of this Lease, any undefined, initially capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to

comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**7. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by the City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will the City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee,

permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued.”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will



require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination

includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by the City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and

all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services, and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. The information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or "IPM Ordinance") describes an integrated pest management ("IPM") policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City's written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City's IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant's primary IPM contact person with City. Tenant will comply, and will require all of Tenant's contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant

were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant's staff or contractors.

(b) If Tenant or Tenant's contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the "Labor Peace Card Check Rule") and Model Form Labor Peace/Card Check Agreement ("Model Form Card Check Agreement"), incorporated into the Airport Rules as Rule 12.1 and Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

(d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.

(e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.

(f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

(g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under

Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

(i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

(g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

(h) Tenant shall keep itself informed of the current requirements of the HCAO.

(i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

(j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.



(k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.

(l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.

(m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior

written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the “Nutritional Standards Requirements”). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting the City’s other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco’s Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no “affordable” alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant’s employees elect to be represented by a lawful labor organization, by majority determination through the labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant’s employees. In order to demonstrate compliance with the Airport’s labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport’s Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “Local Hiring Requirements”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City’s Office of Economic Workforce and Development (“OEWD”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “Covered

Project”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant’s failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor’s or subcontractor’s failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“Chapter 12K”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee’s salary history without that employee’s authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses, and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full

responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor's and subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>

**8. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.


**9. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**  
Culinary Heights Hospitality,  
a California corporation

**CITY:**  
CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Pedro Alvarez  
Title: Owner

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney



**AMENDMENT NO. 1 TO SFO CONCESSION LEASE  
[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO HARVEY MILK TERMINAL 1 RETAIL CONCESSION LEASE 11, LEASE NO. 20-0046 ( (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Genesco Partners Joint Ventures #11 (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 17, 2020, by Resolution No. 20-0046, the Commission awarded to Tenant the Harvey Milk Terminal 1 Retail Concession Lease 11 (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 1 year, 1 month (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2035. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.”

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its

Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar work performed in San Mateo County (collectively, "Prevailing Wage Requirements"). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement ("OLSE").

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant's failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor's or Subcontractor's failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City's electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker's classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City."

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

"19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco



urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease

agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the

- programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
  - The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the

Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that

person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and

Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.



- (d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.
- (e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.
- (f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- (g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- (i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property

confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any

practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same

individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

**19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.**

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

**19.27 Food Service Waste Reduction Ordinance.** San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

**19.28 Multi-Employer Bargaining Group Participation.** Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the

labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to

comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**


IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Genesco Partners Joint Ventures #11,  
joint venture of Genesco, Inc. and Corliss  
Stone-Littles, LLC, together as joint tenants

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:   
Name: Matthew Johnson  
Title: Treasurer

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:  
  
\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney





**AMENDMENT NO. 1 TO SFO CONCESSION LEASE**  
**[COVID-19 Lease Extension Program]**

This LEASE AMENDMENT NO. 1 TO TERMINAL 2 BOOKSTORE LEASE NO. 20-0049 (this “**Amendment**”) is dated as of the Effective Date (as defined below) and entered into by and between Books, Inc. (“**Tenant**”) and City and County of San Francisco (“**City**”), acting by and through its Airport Commission (“**Commission**”).

**RECITALS:**

A. On March 17, 2020, by Resolution No. 20-0049, the Commission awarded to Tenant the Terminal 2 Bookstore Lease (as amended, the “**Lease**”) at San Francisco International Airport (“**Airport**”). The Lease was previously amended as follows:

B. On September, 5, 2023, by Resolution No. 23-0224, the Commission authorized the Airport Director to implement the COVID-19 Lease Extension Program (the “**COVID-19 Lease Extension Program**”) with certain food and beverage, retail and service concession tenants to further address such financial impacts by improving the financial feasibility of each lease and preserving each tenant’s ability to continue operating at the Airport, which is of considerable value to the Airport and its concession tenants. The COVID-19 Lease Extension Program offers lease extensions of varying terms to those concession tenants that had an active lease during the COVID-19 pandemic or opened during the COVID-19 pandemic, and which are currently operating at the Airport. As a condition to receiving the lease extensions, Tenant must agree in this Amendment to comply with (i) all updated City and other governmental contracting requirements, including, without, limitation, the Airport’s revised Labor Peace Card Check Rule; and (ii) Prevailing Wage Requirements for Covered Tenant Construction (as defined below). This Amendment also includes (i) the updates to the Airport’s Street Pricing Program for food and beverage concession tenants authorized by Airport Operations Bulletin issued on November 2, 2022 as 22-04-AOB and (ii) a clarification that Employee Benefit Surcharges imposed by food and beverage concession tenants under the authority of Commission Resolution No. 22-0168 are not included in the calculation of Gross Revenue under the Lease.

C. On \_\_\_\_\_, by Resolution No. \_\_\_\_\_, the Board of Supervisors authorized the COVID-19 Lease Extension Program pursuant to City Charter Section 9.118.

D. All capitalized terms used in this Amendment and not otherwise defined have the meaning provided in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to enter into this Amendment as follows:

**AGREEMENT:**

**1. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth in this Amendment.

**2. Effective Date.** This Amendment shall be deemed effective upon the date of execution by City after receipt of all required approvals of City, as set forth below (the “**Effective Date**”).

**3. Term.** The Term of the Lease is extended by 2 years, 4 months (“**COVID Extension Term**”), and the new Expiration Date is August 31, 2033. In the event that the Effective Date occurs during the initial Operating Term, then the Operating Term is extended by the COVID Extension Term, and all further Extension Options shall remain in full force and effect. In the event that the Effective Date occurs during any previous extension of the Term due to the exercise by City of an Extension Option, then the current extension term is extended by the COVID Extension Term, and any further Extension Options shall remain in full force and effect. In the event the Effective Date occurs during any holdover term of the Lease, then the COVID Extension Term shall commence as of the first calendar day of the month immediately following the Effective Date.

**4. Prevailing Rates of Wages for Tenant Improvements and Alterations.** The following new Section 7.9 is added to the end of Section 7 of the Lease:

“7.9 Prevailing Rates of Wage for Tenant Initial Improvements and Alterations.

(a) For purposes of this Lease, any undefined, initially-capitalized term used in this Section has the meaning given to that term in San Francisco Administrative Code Section 23.61, except as set forth below:

(i) “Covered Work” means any single project of Alterations in the Premises (including for the avoidance of doubt, the Tenant Initial Improvements) with an aggregate cost equal to or in excess of the Threshold Amount.

(ii) “Threshold Amount” means the amount established annually pursuant to Section 6.1 of the San Francisco Administrative Code Section.

(ii) “Prevailing Wage or Prevailing Rate of Wage” means the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in San Mateo County as fixed and determined by the California Department of Industrial Relations for the various crafts and kinds of labor employed in the performance of the Covered Work. "Per diem wages" are defined pursuant to California Labor Code Section 1773.1, as amended from time to time.

(b) Without limiting any other provision of this Lease, Tenant covenants and agrees at all times to comply with all applicable wage requirements, including but not limited to any such requirements in the California Labor Code, the City and County of San Francisco Charter and the San Francisco Municipal Code. Tenant will require its Contractors and Subcontractors performing any Covered Work to: (i) pay workers performing that work not less than the Prevailing Rate of Wages, and (ii) provide the same hours, working conditions, and benefits in each case as are provided for similar

work performed in San Mateo County (collectively, “Prevailing Wage Requirements”). Tenant will cooperate with City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements. All Covered Work is subject to compliance monitoring by the San Francisco Office of Labor Standards Enforcement (“OLSE”).

(c) Tenant will include, and will require its subtenants, and Contractors and Subcontractors (regardless of tier), to include in any construction contract for Covered Work the Prevailing Wage Requirements, and the agreement to cooperate in City enforcement actions. Each construction contract will name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third-party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Tenant’s failure to comply with its obligations under this Section will constitute a material breach of this Lease. A Contractor’s or Subcontractor’s failure to comply with the Prevailing Wage Requirements will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party. The enforcement and recourse provisions applicable to such failure by a Contractor or Subcontractor set forth in San Francisco Administrative Code Section 23.61(d) and are hereby incorporated by reference. For the current Prevailing Rate of Wages, see [www.sfgov.org/olse](http://www.sfgov.org/olse) or call OLSE at 415-554-6235.

(d) Tenant will require each Contractor and Subcontractor to utilize the City’s electronic certified payroll reporting system to keep or cause to be kept complete and accurate payroll records for all persons performing the Covered Work. Such records shall include the name, address and social security number of each worker who provided labor, including apprentices, such worker’s classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every Subcontractor who shall undertake the performance of any part of the Covered Work herein required shall keep a like record of each person engaged in the execution of the subcontract. All such records shall at all times be available for inspection of and examination by the City.”

**5. City and Other Governmental Provisions.** The provisions of Article 19 of the Lease (including any provisions of Article 19 amended or incorporated by any previous amendments to the Lease) are hereby deleted and replaced with the following:

“19.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

19.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

19.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

19.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

19.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

19.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or special damages, or lost revenues or lost profits.

19.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

19.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the "Acts and Regulations"), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: "The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued."

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or

contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

(c) This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 27, which require, among other things, that all televisions and audio-visual displays installed in passenger areas have high-contrast captioning capability, which is at all times enabled.

19.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

19.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the "contractor" in this Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the

- programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
  - The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100); and
  - Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

#### 19.11 City's Nondiscrimination Ordinance.

(a) In the performance of this Lease, Tenant agrees not to discriminate against any employee, City and County employee working with Tenant, applicant for employment with Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a nondiscrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Contract Monitoring Division of the City and County of San Francisco (the "CMD") the Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits form (Form CMD-12B-101), with supporting documentation, and (ii) the CMD approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to nondiscrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

19.12 Conflict of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and sections 87100 et seq. and sections 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provision and agrees that if it becomes aware of any such fact during the term of this Agreement it shall immediately notify City.

19.13 Prevailing Rates of Wage. Reference is made to Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits, to its employees working at San Francisco International Airport pursuant to this Lease. Tenant covenants and agrees to pay either (i) the prevailing rate of wages required by such Airport Commission Policy or (ii) the rate required by the Minimum Compensation Ordinance, as set forth below, whichever is greater.

19.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the



Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off- and on-ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

19.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

19.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

19.17 Compliance with Americans With Disabilities Act. Tenant acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Tenant shall provide the services specified in this Lease in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation, including but not limited to, Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794 et seq.), 28 CFR Parts 35 and 36, and 49 CFR Parts 27, 37 and 38. Tenant agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Lease, and further agree that any violation of this prohibition on the part of Tenant, its employees, agents or assigns shall constitute a material breach of this Lease.

19.18 Sunshine Ordinance. In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that

person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

19.19 Pesticide Prohibition.

(a) Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “IPM Ordinance”) describes an integrated pest management (“IPM”) policy to be implemented by all City departments. Tenant may not use or apply or allow the use or application of any pesticides on the Premises or contract with any party to provide pest abatement or control services to the Premises without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term, (ii) describes the steps Tenant will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Tenant’s primary IPM contact person with City. Tenant will comply, and will require all of Tenant’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Tenant were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City’s Department of the Environment), (iii) impose certain notice requirements, and (iv) require Tenant to keep certain records and to report to City all pesticide use at the Premises by Tenant’s staff or contractors.

(b) If Tenant or Tenant’s contractor would apply pesticides to outdoor areas at the Premises, Tenant will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation (“CDPR”) and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City’s current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

19.20 First Source Hiring Ordinance. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98, as amended by Board of Supervisors Ordinance Nos. 32-09 and 149-09) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

19.21 Labor Peace/Card Check Rule. On February 7, 2023, by Resolution No. 23-0018, the Airport Commission adopted its current Labor Peace/Card Check Rule (the “Labor Peace Card Check Rule”) and Model Form Labor Peace/Card Check Agreement (“Model Form Card Check Agreement”), incorporated into the Airport Rules as Rule 12.1 and

Appendix C, respectively. All capitalized terms not otherwise defined in this provision shall have the meaning in the Labor Peace Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Labor Peace Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions, enter into a Labor Peace/Card Check Agreement with any Registered Labor Organization which requests such an agreement, within thirty (30) days after request. In the event that any such Registered Labor Organization and the Tenant are unable to negotiate a Labor Peace/Card Check Agreement within the 30-day period, the parties shall then be deemed to be bound by the Model Form Check Agreement attached as Appendix C to the Airport Rules, automatically and without any further action required by the parties. Tenant represents and warrants that it has fully reviewed the Labor Peace/Card Check Rule and agrees to be bound by all of its terms and conditions. Tenant acknowledges and agrees that Tenant's compliance with the Labor Peace/Card Check Rule is a material condition of this Lease, and if the Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, the Director shall have the right to terminate this Lease, in addition to exercising all other remedies available to him/her.

19.22 Requiring Minimum Compensation.

(a) Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Tenant's obligations under the MCO is set forth in this Section. Tenant is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

(b) The MCO requires Tenant to pay Tenant's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Tenant is obligated to keep informed of the then-current requirements. Any subcontract entered into by Tenant shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Tenant's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(c) Tenant shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

- (d) Tenant shall maintain employee and payroll records as required by the MCO. If Tenant fails to do so, it shall be presumed that the Tenant paid no more than the minimum wage required under State law.
- (e) The City is authorized to inspect Tenant's premises and conduct interviews with employees and conduct audits of Tenants.
- (f) Tenant's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Tenant fails to comply with these requirements. Tenant agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Tenant's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- (g) Tenant understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- (h) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- (i) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Tenant later enters Tenant an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 in the fiscal year.

19.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property

confusingly similar to the Airport intellectual property, without the Director's prior consent.

19.24 Requiring Health Benefits for Covered Employees. Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at [www.sfgov.org/olse](http://www.sfgov.org/olse). Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

(a) For each Covered Employee, Tenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Tenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

(b) Notwithstanding the above, if the Tenant is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Tenant if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Subcontract entered into by Tenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Tenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Tenant based on the Subcontractor's failure to comply, provided that City has first provided Tenant with notice and an opportunity to obtain a cure of the violation.

(e) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Tenant's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any

practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Tenant shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.
- (h) Tenant shall keep itself informed of the current requirements of the HCAO.
- (i) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (j) Tenant shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.
- (k) Tenant shall allow City to inspect Tenant's premises and have access to Tenant's employees in order to monitor and determine compliance with HCAO.
- (l) City may conduct random audits of Tenant to ascertain its compliance with HCAO. Tenant agrees to cooperate with City when it conducts such audits.
- (m) If Tenant is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Tenant and the City to be equal to or greater than \$75,000 in the fiscal year.

19.25 Notification of Limitations on Contributions. By executing this Lease, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) an individual holding a City elective office if the contract must be approved by that official, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same

individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease or any lease proposal; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing. Violation of Section 1.126 may result in criminal, civil, or administrative penalties.

19.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements.

Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "Nutritional Standards Requirements"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 19.26 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

19.27 Food Service Waste Reduction Ordinance. San Francisco's Food Service Waste Reduction Ordinance, Ordinance No. 295-06, SF Environment Code Chapter 16 requires restaurants, retail food vendors, City departments, City contractors and City lessees to use biodegradable/compostable or recyclable disposable food service ware when selling or distributing prepared foods, unless there is no "affordable" alternative. The ordinance also prohibits such businesses and the City from using disposable food service ware made from polystyrene (Styrofoam™). Violation of the ordinance may result in contractual damages, a criminal fine, administrative penalty, or other civil enforcement action.

19.28 Multi-Employer Bargaining Group Participation. Tenant agrees and acknowledges that a multi-employer bargaining group is an established mechanism for employers to bargain collectively with any lawful labor organization representing its employees in an appropriate bargaining unit. In the event that Tenant's employees elect to be represented by a lawful labor organization, by majority determination through the

labor peace/card check process or otherwise, Tenant agrees to join the relevant multi-employer bargaining group at the Airport, and become a party to, and be bound by, a collective bargaining agreement for its operations under this Lease in the event a collective bargaining agreement is then in effect or is negotiated on behalf of Tenant's employees. In order to demonstrate compliance with the Airport's labor harmony commitment, Tenant agrees that membership in a multi-employer bargaining group includes attendance at group meetings and participation in its business activities.

19.29 Worker Retention Policy. Tenant acknowledges the Airport's Worker Retention Policy and agrees to comply with its requirements.

19.30 Local Hire Policy. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the "Local Hiring Requirements"). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$1,000,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a "Covered Project"). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

19.31 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K ("Chapter 12K"), the Consideration of Salary History Ordinance or "Pay Parity Act." Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to



comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

19.32 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility” means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

19.33 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

19.34 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19.35 Green Building Requirements. Tenant acknowledges that the City and County of San Francisco has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

19.36 Plastic Beverage Container Restrictions. Tenant shall comply with Airport Rule 8.2(B), which prohibits Airport tenants, vendors, and permittees from providing or selling beverages in containers that contain plastic or aseptic paper packaging, including in vending machines. The Airport has compiled a list of compliant beverage container packaging available on <https://www.flysfo.com/approved-bottled-water-list>.

**6. No Other Modifications.** Except as otherwise expressly set forth above, the Lease remains unmodified and in full force and effect.

**7. Counterparts and Electronic Signatures.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Amendment may be executed and delivered by electronic signature (including portable document format) by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

**[Remainder of Page Intentionally Left Blank]**

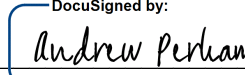
IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date set forth below.

**TENANT:**

Books, Inc.,  
a California corporation

**CITY:**

CITY AND COUNTY OF SAN  
FRANCISCO, acting by and through its  
Airport Commission

By:  \_\_\_\_\_  
Name: Andrew Perham  
Title: CEO

By: \_\_\_\_\_  
Name: Ivar C. Satero  
Title: Airport Director

**Effective Date (to be inserted by City only):** \_\_\_\_\_

Authorized by Commission Resolution  
No. 23-0224 on September 5, 2023, and  
Resolution No. \_\_\_\_\_ finally passed by  
the San Francisco Board of Supervisors on  
\_\_\_\_\_.

Attest:

\_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:  
DAVID CHIU,  
City Attorney

By: \_\_\_\_\_  
Christopher W. Stuart  
Deputy City Attorney

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 23-0224

**COVID-19 LEASE EXTENSION PROGRAM FOR CERTAIN AIRPORT FOOD AND BEVERAGE, RETAIL, AND SERVICE CONCESSION TENANTS**

- WHEREAS, flight and passenger activity immediately and dramatically declined after the March 11, 2020 COVID-19 pandemic declaration by the World Health Organization; and
- WHEREAS, on March 13, 2020, President Trump declared COVID-19 a national emergency, and on March 17, 2020, a “Shelter-In-Place” order was issued by public health officials from six Bay Area counties, including San Francisco and San Mateo; and
- WHEREAS, the number of food and beverage, retail, and service concession locations in operation at the Airport went from 149 to 27 within days of the Shelter-in-Place order; and
- WHEREAS, all concessions locations have opened, however, passenger enplanement activity is still down 18.2% from pre-pandemic levels in 2019 as of May 2023; and
- WHEREAS, while concessionaires have been supported by federal stimulus and grant programs, there is still a multi-year recovery period planned for the return of passenger activity; and
- WHEREAS, most concessionaires were awarded leases, in part, based upon rent they would pay during their lease terms and made significant investments in tenant build-out and have ongoing operational costs; and
- WHEREAS, the business deals upon which the rents were established, and the financial offers made by the tenants were based upon a projected pre-pandemic level of enplanements; and
- WHEREAS, while minimum annual guarantees were suspended based upon the “Severe Decline in Enplanement” lease provision in the concession leases (with some remaining suspended to date), tenant re-openings have been phased, and the federal stimulus program have all provided relief in the near term, the expected four to five-year recovery period places all leases in a different financial position than what was originally underwritten by tenants; and
- WHEREAS, Staff recommends authorization for the Airport Director to execute lease amendments extending the term for certain food and beverage, retail, and service concession tenants that had an active lease during the COVID-19 pandemic or opened during the pandemic and which are currently operating, as listed in Attachments A, B, and C attached to the Airport Director’s memorandum accompanying this Resolution and incorporated by reference (Eligible Concessionaires); and

## AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 23-0224

- WHEREAS, Eligible Concessionaires that were in operation at the start of the COVID-19 pandemic in March 2020 will receive an extension of three and one-half years, Eligible Concessionaires that were not in operation at the start of the pandemic but subsequently commenced operation during the COVID-19 pandemic will receive an extension equal to the number of months they operated within the pandemic, which for the purposes of this extension program (COVID-19 Lease Extension Program) is the three and one-half year period between March 2020 and August 2023; and
- WHEREAS, Clear Channel Outdoor, LLC is required to install its permanent equipment in Harvey Milk Terminal 1, as specified in its lease, in order to be eligible for the COVID-19 Lease Extension Program; and
- WHEREAS, the lease extensions will apply to the base terms of each lease and will not affect any extension options in favor of the Airport Commission; if a lease has already been extended, the extension term granted under the COVID-19 Lease Extension Program will be added to the end of the current extension term; if a lease is in a holdover, the extension term granted will begin upon the first day of the month following all required City approvals of the COVID-19 Lease Extension Program; and if the Airport must terminate any lease shown on Attachments A, B, and C early, the term added under the COVID-19 Lease Extension Program will not be utilized in calculating a buy-out of unamortized hard construction costs, if one is determined to be appropriate; and
- WHEREAS, the lease extensions being offered under the COVID-19 Lease Extension Program are appropriate because they will help concession tenants mitigate business losses during and after the pandemic by allowing for a longer period for the amortization of tenant improvement costs, and will allow them to better recoup current business losses in the latter years of their leases when enplanements are anticipated to be higher; and
- WHEREAS, to ensure fairness and for efficiency, the proposed amendments will be substantially standardized in form depending on the specific category of concessionaire, and as a condition to receiving the extensions of lease term under the COVID-19 Lease Extension Program, each tenant must agree in the amendment to comply with: (i) updated City and County of San Francisco contracting requirements, (ii) new Airport Rule 12.3 (Prevailing Wage Requirements – Covered Tenant Construction), and (iii) revised Rule 12.1 (Labor Peace/Card Check Rule); now, therefore, be it

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 23-0224

RESOLVED, that this Commission hereby authorizes the Airport Director to implement the COVID-19 Lease Extension Program, as defined above, by executing appropriate amendments of leases with certain food and beverage, retail, and service concession tenants that had an active lease during the COVID-19 pandemic or opened during the pandemic and which are currently operating concessionaires, as listed on Attachments A, B, and C attached to the Airport Director's memorandum accompanying this Resolution, in form and substance acceptable to the Airport Director, consistent with the terms stated above and on the other terms and conditions provided in the Airport Director's accompanying memorandum; and, be it further

RESOLVED, that this Commission directs the Commission Secretary to seek approval from the San Francisco Board of Supervisors for those lease amendments requiring such approval under Section 9.118 of the Charter of the City and County of San Francisco.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*  
= SEP 5 2023  
*at its meeting of* \_\_\_\_\_

  
\_\_\_\_\_  
Secretary



San Francisco International Airport

**MEMORANDUM**

September 5, 2023

TO: AIRPORT COMMISSION  
Hon. Malcolm Yeung, President  
Hon. Everett A. Hewlett, Jr., Vice President  
Hon. Jane Natoli  
Hon. Jose F. Almanza

23-0224

SEP 5 2023

FROM: Airport Director

SUBJECT: COVID-19 Lease Extension Program for Certain Airport Food and Beverage, Retail, and Service Concession Tenants

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION (1) AUTHORIZING THE AIRPORT DIRECTOR TO IMPLEMENT THE COVID-19 LEASE EXTENSION PROGRAM BY EXECUTING AMENDMENTS OF CERTAIN FOOD AND BEVERAGE, RETAIL, AND SERVICE CONCESSION AGREEMENTS, EXTENDING THE LEASE TERMS BY UP TO THREE AND ONE-HALF YEARS, TO ALLOW FOR FINANCIAL RECOVERY IN RESPONSE TO THE DEVASTATING IMPACT OF THE COVID-19 PANDEMIC; AND (2) DIRECTING THE COMMISSION SECRETARY TO OBTAIN APPROVAL FROM THE BOARD OF SUPERVISORS FOR THOSE LEASE AMENDMENTS REQUIRING APPROVAL UNDER SECTION 9.118 OF THE CHARTER OF THE CITY AND COUNTY OF SAN FRANCISCO.

**Executive Summary**

Staff recommends that the Airport Commission (Commission) authorize the Airport Director to execute lease extensions for certain food and beverage, retail, and service concession tenants that had an active lease during the COVID-19 pandemic and which are currently operating their concessions (Eligible Concessionaires). The recommended lease extensions are for a period of up to three and one-half years for Eligible Concessionaires (COVID-19 Lease Extension Program). The lease extensions requested in this memorandum are being proposed in recognition of the expectation that passenger activity is not anticipated to return to pre-pandemic levels until 2024-2025. The COVID-19 Lease Extension Program will support Eligible Concessionaires by allowing for a longer period for the amortization of costs, provide more confidence for their lenders, and, in concept, allow tenants to recoup business losses in the latter period of the leases when enplanements are expected to be higher.

**Background**

In response to the dramatic decline of passenger activity following the March 11, 2020 COVID-19 pandemic declaration by the World Health Organization, the Airport undertook efforts to manage and mitigate its tenants' financial losses. The number of restaurants, stores, and passenger services locations operational at SFO went from 149 to 27 in March 2020. Many concession locations were required to be closed under stay-at-home orders and the designation by public health authorities of essential and non-essential businesses. Enplanement activity for calendar year 2020 remained depressed, down by 71.4% compared to fiscal year 2019, the last fiscal year before the pandemic.

THIS PRINT COVERS CALENDAR ITEM NO. 7

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

LONDON N. BREED  
MAYOR

MALCOLM YEUNG  
PRESIDENT

EVERETT A. HEWLETT, JR.  
VICE PRESIDENT

JANE NATOLI

JOSE F. ALMANZA

IVAR C. SATERO  
AIRPORT DIRECTOR

On October 6, 2020, by Resolution No. 20-0180, the Commission authorized Staff to implement its COVID-19 Emergency Rent Relief Program, which granted rent relief to concessionaires valued at \$21.8 million. The Airport received \$254.8 million in funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the Federal Aviation Administration (FAA) directed airports to use a portion of the CARES Act funds for temporary rent abatements and minimum annual guarantee (MAG) waivers. The \$21.8 million funded: (1) MAG waivers for three months until the MAGs were suspended contractually in accordance with the “Severe Decline in Enplanements” provision in the concession leases; (2) two months of no rent or fees; and (3) seven months of waived storage rent, marketing, infrastructure, food court cleaning, and refuse fees.

On March 2, 2021, by Resolution No. 21-0047, the Commission authorized the acceptance and allocation of grant monies from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Of the \$46,543,901 allocated to the Airport, the FAA stipulated that \$5,949,587 was to be allocated among the concession tenants for rent and MAG relief. Generally, this amount equated to approximately two months of rent relief for most concessionaires. The Airport allocated such funds in accordance with the law.

On July 20, 2021, by Resolution No. 21-0154, the Commission authorized the acceptance and allocation of American Rescue Plan Act (ARPA) funds totaling \$192,813,293. A portion of the ARPA funding, \$23,798,350, was distributed to eligible concession tenants in the form of rent and MAG relief. Generally, the ARPA funding equated to approximately six months of rent relief for food and beverage, retail, and service concession tenants. Pursuant to the federal guidelines under ARPA, the funds were not available to rental car concession tenants.

These programs helped concession tenants get through the worst of the pandemic. In addition to the rent waivers and credits offered under these programs, Airport staff worked closely with concession tenants to phase the reopening of individual locations. This collaborative effort helped in aiding the financial viability of tenants. Fiscal year 2023 enplanement activity is down 18.2% compared to fiscal year 2019. All concession locations have reopened.

The lease extensions requested in this memorandum will support the concession tenants by allowing for a longer term for the amortization of tenant investment costs, providing more confidence for their lenders, and, in concept, allowing tenants to recoup business losses in the latter part of the leases when enplanements are anticipated to be higher. Staff recommends up to a three-and-one-half-year extension to Eligible Concessionaires based generally on the period during which enplanement passenger activity was classified as a “Severe Decline in Enplanements” for most tenants. The three-and-one-half-year period is defined as the period between March 2020 and August 2023 (Pandemic Period).

### **Proposal**

Under the COVID-19 Lease Extension Program:

- Eligible Concessionaires that were in operation at the start of the pandemic in March 2020 will receive an extension of three and one-half years.
- Eligible Concessionaires that were not in operation at the start of the pandemic but subsequently commenced operation will receive an extension equal to the number of months they operated within the Pandemic Period.



- Clear Channel Outdoor, LLC is required to install its permanent equipment in Harvey Milk Terminal 1, as specified in its lease, in order to be eligible for the COVID-19 Lease Extension Program.

The lease extensions will apply to the base terms of each lease and will not affect any extension options in favor of the Airport Commission. If a lease has already been extended, the extension term granted under the COVID-19 Lease Extension Program will be added to the end of the current extension term. If a lease is in a holdover, the extension term granted will begin upon the first day of the month following all required City approvals of the COVID-19 Lease Extension Program. The lists of Eligible Concessionaires are shown in Attachments A, B, and C. If the Airport must terminate any lease shown on Attachments A, B, and C early, the term added under the COVID-19 Lease Extension Program will not be utilized in calculating a buy-out of unamortized hard construction costs, if one is determined to be appropriate.

This COVID-19 Lease Extension Program will not be extended to the following concessionaires and permittees:

- Concessionaires or Permittees under short-term leases or permits, such as the retail pop-up tenants, the espresso vending machine operator, and food trucks.
- Concessionaires within the footprint of the Terminal 3 West and International Terminal Arrivals Area renovation projects, as those spaces will be impacted over the next two to three years.
- The Terminal 2 News, Coffee and Specialty Store lease with World Duty Free Group North America, LLP because another lease has been awarded to provide most of the services offered under this lease.
- American Express Travel Related Services, Inc. (AMEX). The AMEX lease was extended by seven years in 2020 related to a sizable premises expansion.
- Service concessionaires including Airport Mailers, Airport Terminal Services, Bank of America, Alclear, Grab SFO, New Cingular Wireless, SFO Shoeshine, and Wells Fargo. These leases are unique in their capital investment in their premises and the way they have been impacted by the pandemic.
- Rental Car Concessions.
- Concessionaires who are not current with deposits, insurance, and accounts receivable obligations under their lease.

Additionally, there are two food and beverage concession tenants not included in the current request due to concerns raised regarding those concessionaires' completion of all requirements of the Airport's Labor Peace/Card Check Rule. The Commission maintains a strong proprietary interest in promoting efficient and smooth business operations at the Airport. The continued successful operation of the Airport relies on the uninterrupted procurement of needed goods and services, including food and beverage concessions, to the traveling public. In furtherance of its strong proprietary interest, the Commission seeks to promote labor harmony between concession employers at the Airport and their employees, among others, seeking to organize workers during organizing drives. To ensure Airport rules relating to labor peace are being complied with in furtherance of supporting smooth and successful operations, the Airport will look into the concerns raised. Assuming there is compliance, the Airport plans to return to the Commission to request these tenants also be offered participation in the COVID-19 Lease Extension Program in the coming months. The tenants are Rylo Management, LLC (operating as Farley's Community Café) and Joe & the Juice New York, LLC (operating as Joe & The Juice).

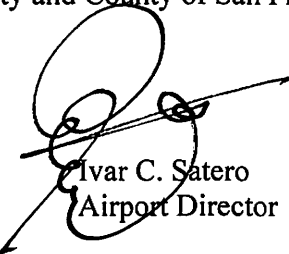
There are a total of 133 concessions leases at the Airport, and 88 of those leases are included in the COVID-19 Lease Extension Program as follows:

- Attachment A lists the 53 food and beverage concessions;
- Attachment B lists the 33 retail concessions;
- Attachment C lists the two service concessions.

To ensure fairness and for efficiency, the amendments providing for the COVID-19 Lease Extension Program will be substantially standardized in form depending on the specific category of concessionaire. As a condition to receiving the lease extension under the COVID-19 Lease Extension Program, each tenant must agree in the amendment to comply with: (i) updated City and County of San Francisco contracting requirements, (ii) new Airport Rule 12.3 (Prevailing Wage Requirements – Covered Tenant Construction), and (iii) revised Rule 12.1 (Labor Peace/Card Check Rule). In some cases, lease amendments will require the Board of Supervisors' approval under Charter Section 9.118.

### **Recommendation**

I recommend the Commission adopt the accompanying Resolution (1) authorizing the Airport Director to implement the COVID-19 Lease Extension Program by executing amendments of leases of certain food and beverage, retail, and service concessionaires listed on Attachments A, B, and C consistent with the terms outlined in this memorandum, and (2) directing the Commission Secretary to request the approval from the San Francisco Board of Supervisors for those lease amendments requiring approval under Section 9.118 of the Charter of the City and County of San Francisco.



Ivar C. Satero  
Airport Director

Prepared by: Kevin Bumen  
Chief Financial and Commercial Officer

Attachments

**Attachment A**

**Food and Beverage Concessions**

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
1	Amoura International, Inc. (Amoura Café)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 4	16-0312	3 years, 6 months
2	Amy's Kitchen Restaurant Operating Company, LLC (Amy's Drive Thru)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 3	18-0211	3 years, 6 months
3	Andale Management Group, Inc. (Andale)	Terminal 2 Quick Serve Lease	10-0034	3 years, 6 months
4	Andale Management Group, Inc. (Valencia St. Station; 24th & Mission St. Taco House)	International Terminal Food and Beverage Concessions Lease 1	16-0012	3 years, 6 months
5	Andre-Boudin Bakeries, Inc. (Boudin Bakery)	International Terminal A Historic Restaurant Concession Lease	17-0239	3 years, 6 months
6	Asian Box Palo Alto, LLC (Asian Box)	International Terminal Food and Beverage Concession Lease No. 4	16-0015	3 years, 6 months
7	Bayport Concessions, LLC (Koi Palace Express)	Domestic Terminal Food and Beverage Lease	03-0183	3 years, 6 months
8	Bayport Concessions, LLC (Koi Palace Express)	International Terminal Food and Beverage Concessions Lease 11	16-0021	3 years, 6 months
9	BJ Annex, LLC (Burger Joint)	Terminal 2 Quick-Serve Lease	10-0035	3 years, 6 months
10	Black Point Coffee SFO, LLC (Black Point Café)	International Terminal A Coffee Kiosk Concession Lease	17-0254	3 years, 6 months
11	Bun Mee, LLC (Bun Mee)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 5	16-0313	3 years, 6 months
12	Bun Mee, LLC (Bun Mee)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 1	18-0209	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
13	Burger Joint, Inc. (Mission Bar & Grill)	Domestic Terminal Food and Beverage Lease	03-0199	3 years, 6 months
14	Culinary Heights Hospitality (Ritual Coffee)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 13	20-0043	11 months
15	Elevate Gourmet Brands, Inc. (Pronto)	Domestic Terminal Food and Beverage Lease	03-0184	2 years, 6 months
16	Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC, a Joint Venture dba Elevate Gourmet Brands Gourmet Brands - SFO Group (This lease has 2 locations. Only Green Beans Coffee will get extended. The second location, San Francisco Mac n' Cheese, is not constructed and is, therefore, ineligible.)	Terminal 3 Boarding Area F Coffee and Quick Serve Concession Lease	18-0346	3 years, 6 months
17	Elevated Tastes SFO Inc. (Tomokazu)	International Terminal Food and Beverage Concession Lease 5	16-0016	3 years, 6 months
18	Gate 74, Inc. (Proposition Chicken)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 3	16-0311	3 years, 6 months
19	Gilly National, Inc.	Snack And Beverage Vending Lease	16-0242	3 years, 6 months
20	Gotham Enterprise, LLC (Peet's Coffee & Tea)	Terminal 2 Bakery and Coffee Facilities Lease	10-0030	3 years, 6 months
21	Gotham Enterprises, LLC Coffee IV-VI Series (Peet's Coffee & Tea)	Domestic Terminal Food and Beverage Lease	03-0193	3 years, 6 months
22	Guava & Java (SFO), Inc. (Two Dogpatch Bakehouse locations)	Domestic Terminal Food and Beverage Lease	03-0191	3 years, 6 months
23	HBF Soto JV, LLC (The Plant Organic Café/Pinkberry Yogurt)	Terminal 2 Quick-Serve Lease	10-0036	3 years, 6 months
24	HBF Soto JV, LLC (Cat Cora)	Terminal 2 Cocktail Lounge Lease	10-0031	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
25	HFF-BRH-SFO, LLC (Farmerbrown)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 8	16-0316	3 years, 6 months
26	High Flying Foods, Inc. (Gott's Roadside)	International Terminal Food and Beverage Concession Lease 2	16-0013	3 years, 6 months
27	Host International, Inc. (The Bistrot Bay Area)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 8	18-0217	2 years, 1 month
28	Lady Luck Gourmet, LLC (Mama Go's Filipino Cuisine)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 7	18-0215	3 years, 3 months
29	Paradies Lagardere @ SFO 2018 (F&B), LLC (Bourbon Pub)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 4	18-0212	3 years, 6 months
30	Park Café Group, Inc. (Dolores Park Café)	Terminal 1 Boarding Area C Food and Beverage Kiosk Lease, a Small Business Enterprise Set Aside	19-0244	1 year, 7 months
31	Proper Food SFO Airport, LLC (Proper Food)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 10	20-0041	1 year, 2 months
32	San Francisco Soup Company (Ladle & Leaf)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 1	16-0309	3 years, 6 months
33	Sankaku, Inc. (Wakaba)	Domestic Terminal 2 Food and Beverage Lease	10-0033	3 years, 6 months
34	SF Foodways, LLC (Drake's Flyaway)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 9	18-0216	2 years, 9 months
35	SF Foodways, LLC (Potrero Grill, Tapas & Taps)	International Terminal Food and Beverage Concession Lease 12	16-0022	3 years, 6 months
36	SF Uncork'd, LLC (SF Uncork'd)	Terminal 3 Boarding Area F Wine Bar Lease	12-0089	3 years, 6 months
37	Sidewalk Juice SFO, LLC (Sidewalk Juice)	Terminal 3 Boarding Area F Food and Beverage Kiosk Lease, A Small Business Enterprise Set-Aside Lease	19-0245	2 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
38	Silver Dragon Café, LLC (Bacon Bacon)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 2	16-0310	3 years, 6 months
39	Soaring Food Group, LLC (Illy Caffè)	Harvey Milk Terminal 1 Concession Lease 6	18-0214	3 years, 6 months
40	SSP America, Inc. (The Roasting Plant)	International Terminal Food and Beverage Concessions Lease 10	16-0020	3 years, 6 months
41	SSP America, Inc. (Union Street Gastropub)	Domestic Terminal Food and Beverage Lease	03-0200	3 years, 6 months
42	SSP America, Inc. (1300 on Fillmore)	International Terminal Food and Beverage Concessions Lease 7	16-0017	3 years, 6 months
43	SSP America, Inc. (Wendy's)	International Terminal Food and Beverage Concessions Lease 14	16-0024	3 years, 6 months
44	SSP America, Inc. (Marina's Café and The Manufactory Food Hall)	International Terminal A Food Hall and Café Concession Lease	17-0238	3 years, 6 months
45	SSP America, Inc. (Sweet Maple)	Terminal 2 Casual Dining Food and Beverage Concession Lease 6	18-0074	3 years, 6 months
46	SSP America, Inc. (The Little Chihuahua)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 2	18-0210	3 years, 6 months
47	Tastes on the Fly of San Francisco, LLC (Two Klein's Deli locations)	Domestic Terminal Food and Beverage Lease	03-0192	3 years, 6 months
48	Tastes on the Fly of San Francisco, LLC (SF Giants Club House)	Terminal 3 Boarding Area F and Terminal 1 Boarding Area C Food and Beverage Concession Lease 7	16-0315	3 years, 6 months
49	Tastes on the Fly San Francisco, LLC (Napa Farms Market)	Terminal 2 Gourmet Market and Wine Bar Lease	10-0029	3 years, 6 months
50	Tastes on the Fly San Francisco, LLC (Lark Creek Grill)	Terminal 2 Sit-Down Restaurant Lease	10-0032	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
51	Tastes On The Fly San Francisco, LLC (Starbird)	Harvey Milk Terminal 1 Food and Beverage Concession Lease 5	18-0213	3 years, 6 months
52	Tastes on the Fly SFO International, LLC (Napa Farms Market, Mustard's Bar & Grill)	International Terminal Food and Beverage Concession Lease 3	16-0014	3 years, 6 months
53	Urban Tortilla, Inc. (Urban Tortilla)	Domestic Terminal Food and Beverage Lease	03-0187	3 years, 6 months

**Attachment B**

**Retail Concessions**

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
1	Air Sun JV (Sunglass Hut)	Terminal 3 Boarding Area E Retail Specialty Store Lease	18-0233	3 years, 6 months
2	Air Sun JV (Sunglass Hut)	Terminal 2 Sunglass Store or Cosmetic Store Lease	18-0345	3 years, 6 months
3	Airport Travel Agency, Inc.	International Terminal Airport Amenities & Business Services Lease	13-0202	3 years, 6 months
4	Apparel Sourcing and Production, LLC (We Are SF)	Terminal 2 Specialty Retail Concession Lease 2	19-0053	2 years
5	Books, Inc. (Compass Books)	Terminal 2 Bookstore Lease	20-0049	2 years, 4 months
6	Brookstone SFO T-2, LLC (Brookstone)	Terminal 2 Specialty Retail Concession Lease 1	18-0071	3 years, 6 months
7	Canonica New York, LLC (The Chocolate Market)	International Terminal Newsstand and Specialty Retail Concession Lease 4	17-0210	3 years, 6 months
8	Canonica New York, LLC (The Chocolate Market)	Terminal 3 Boarding Area E Candy Kiosk Lease	18-0284	3 years, 6 months
9	Canonica New York, LLC (The Chocolate Market)	Terminal 2 Specialty Retail Concession Lease 3	18-0073	3 years, 6 months
10	DFS Group, L.P. (DFS Sunglasses and Watches)	International Terminal Specialty Concession Lease 3	17-0209	3 years, 6 months
11	Emporio Rulli, Inc. (G.R. Chocolate)	Harvey Milk Terminal 1 Retail Concession Lease 3	18-0395	6 months
12	Genesco Partners Joint Ventures #11 (Johnston & Murphy)	Harvey Milk Terminal 1 Retail Concession Lease 11	20-0046	1 year, 1 month



	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
13	HG SFO Retailers 2017 JV (Ingenuity by Hudson)	International Terminal Newsstand and Specialty Retail Concession Lease 1	17-0207	3 years, 6 months
14	HG SFO Retailers 2017 JV (49 Mile Market)	Boarding Area C Retail Concession Lease	18-0367	3 years, 6 months
15	Hudson Group (HG) Retail, LLC (Brookstone)	International Terminal Specialty Retail Store Lease	15-0227	3 years, 6 months
16	Hudson Group (HG) Retail, LLC (SF Magazine News gets extended; Tumi and Hudson News are impacted by the Terminal 3 West project.)	Terminal 3 News and Specialty Store Lease	11-0210	3 years, 6 months
17	InMotion SFO-IT, LLC (InMotion Entertainment)	Electronics Store Lease International Terminal Boarding Area A	18-0231	3 years, 6 months
18	InMotion SFO-T3, LLC (InMotion Entertainment gets extended; Sound Balance will be relocated related to the Terminal 3 West renovation project)	Electronics Stores Lease in Terminal 3 Boarding Areas E and F	18-0232	2 years, 11 months
19	InMotion SFO, LLC (iStore)	Harvey Milk Terminal 1 Retail Concession Lease 1	18-0203	3 years, 6 months
20	L'Occitane Airport Venture, LLC (L'Occitane)	Harvey Milk Terminal 1 Retail Concession Lease 4	18-0205	2 years, 10 months
21	MRG San Francisco, LLC (District Market)	Terminal 3 Retail Marketplace Lease	16-0256	3 years, 6 months
22	MRG San Francisco Terminal 3, LLC (Silicon Valley News)	Terminal 3 Boarding Area F News and Multi-Concept Retail Store Lease	19-0246	2 years, 7 months
23	Paradies Lagardere @ SFO 2018, LLC (Mills Cargo)	Harvey Milk Terminal 1 Retail Concession Lease 2	18-0204	3 years, 6 months

	<b>TENANT AND FACILITY NAME</b>	<b>LEASE NAME</b>	<b>LEASE NO.</b>	<b>TOTAL PANDEMIC EXTENSION</b>
24	RAKH, Inc. (NYS Collection Eyewear)	Harvey Milk Terminal 1 Retail Concession Lease 6	18-0207	2 years, 5 months
25	Skyline Concessions, Inc. (Skyline News)	Boarding Area E Newsstand Lease, A Small Business Enterprise Set-Aside	13-0136	3 years, 6 months
26	Skyline Concessions, Inc. (Skyline News and Gifts)	Harvey Milk Terminal 1 Retail Concession Lease 7	18-0208	3 years, 6 months
27	Stellar Partners, Inc. (The New Stand, A)	International Terminal Newsstand and Specialty Retail Concession Lease No. 2	17-0208	3 years, 6 months
28	Stellar Partners, Inc. (The New Stand, G)	International Terminal Newsstand and Specialty Retail Concession Lease No. 5	17-0211	3 years, 6 months
29	Swyft, Inc. (Zoom Travel Stores)	Airport Automated Retail Lease	18-0175	3 years, 6 months
30	The Marshall Retail Group, LLC (Scoop)	Terminal 1 Boarding Area C Retail Concession Lease 2	18-0368	2 years, 9 months
31	The Marshall Retail Group, LLC (DepARTures gets an extension; 7X7 is not constructed and is, therefore, ineligible)	Harvey Milk Terminal 1 Retail Concession Lease 5	18-0206	3 years, 2 months
32	World Duty Free Group North America, LLC (SF Travel News, San Francisco Chronicle News, Hudson News, Green Beans Coffee)	International Terminal and Terminal 3 Newsstands/Café Lease	12-0085	3 years, 6 months
33	World Duty Free Group North America, LLC (Jo Malone, Tom Ford, Aveda)	Terminal 3 Specialty Retail Store Lease A	15-0039	3 years, 6 months

**Attachment C**

**Service Concessions**

1	Clear Channel Outdoor, LLC	Airport Advertising Lease	12-0231	3 years, 6 months
2	Smarte Carte, Inc.	Airport Luggage Cart Lease and Operating Agreement	19-0069	3 years, 6 months

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**LEASE AGREEMENT  
FOR**

**Willow Street Woodfire Pizza**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

**DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Bayport Concessions, LLC**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0183

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR**

**Noah's Bagels & Max's Eatz**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT  
DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Bay Area Restaurant Group  
Joint Venture**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0184

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**LEASE AGREEMENT  
FOR**

**Luna Azul**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT  
DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**(Jonathan Leong) L & H LLC**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0187

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**LEASE AGREEMENT  
FOR**

**Guava & Java**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT  
DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Guava & Java (SFO) Inc.,**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0191

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**LEASE AGREEMENT  
FOR**

**Kleins Deli Café**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT  
DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**J. Avery Enterprises,**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0192



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**LEASE AGREEMENT**

**FOR**

**Peet's Coffee**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

**DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Gotham Enterprises, LLC  
SFO Coffee IV-VI Series**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0193

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**LEASE AGREEMENT  
FOR**

**Mission Bar & Grill**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

**DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Burger Joint, Inc.,**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0199

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**LEASE AGREEMENT  
FOR**

**Anchor Steam Brewing Company  
~~Alcatraz Brewing Company~~**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT  
DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM**

by and between

**Creative Host Services, Inc.,**

as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord**

Mayor Willie L. Brown, Jr.

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Michael S. Strunsky, Vice President  
Hon. Linda S. Crayton  
Hon. Caryl Ito  
Hon. Eleanor Johns

John L. Martin  
Airport Director

September 29, 2003

Lease No. 03-0200

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**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 2 GOURMET MARKET AND WINE BAR**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

D-LEW ENTERPRISES, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime

John L. Martin  
Airport Director

February 18, 2010

Lease No. 10-0029

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 BAKERY AND COFFEE FACILITIES  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

GOTHAM ENTERPRISES, LLC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime

John L. Martin  
Airport Director

February 18, 2010

Lease No. 10-0030

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 COCKTAIL LOUNGE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HBF SOTO JV, LLC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenime

John L. Martin  
Airport Director

February 18, 2010

Lease No. 10-0031

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**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 2 SIT DOWN RESTAURANT**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

D-LEW ENTERPRISES, LLC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime

John L. Martin  
Airport Director

February 18, 2010

Lease No.10-0032

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**LEASE AGREEMENT**  
**FOR THE**  
TERMINAL 2 QUICK-SERVE LEASE  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SANKAKU, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime

John L. Martin  
Airport Director

February 18, 2010

Lease No.10-0033



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**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 2 QUICK-SERVE LEASE**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

ANDALÉ MANAGEMENT GROUP, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime

John L. Martin  
Airport Director

February 18, 2010

Lease No. 10-0034

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 QUICK-SERVE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

BJ ANNEX, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime

John L. Martin  
Airport Director

February 18, 2010

Lease No.10-0035

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 QUICK-SERVE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HBF SOTO JV, LLC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Gavin Newsom  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Caryl Ito  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime

John L. Martin  
Airport Director

February 18, 2010

Lease No.10-0036

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LEASE AGREEMENT  
FOR THE  
**TERMINAL 3 NEWS & SPECIALTY STORE**  
IN TERMINAL 3  
AT SAN FRANCISCO INTERNATIONAL AIRPORT

by and between

**Hudson Group (HG) Retail, LLC,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

September 20, 2011

Lease No.11-0210

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**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL AND TERMINAL 3 NEWSSTANDS/CAFÉ**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**HOST INTERNATIONAL, INC.,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

April 17, 2012

Lease No. 12-0085

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 BOARDING AREA F WINE BAR LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SF UNCORK'D, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

March 20, 2012

Lease No.12-0089

**LEASE AGREEMENT**  
**FOR THE**  
**AIRPORT ADVERTISING PROGRAM**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between  
**CLEAR CHANNEL OUTDOOR, INC., d/b/a CLEAR CHANNEL AIRPORTS**

and

**CITY AND COUNTY OF SAN FRANCISCO**  
**ACTING BY AND THROUGH ITS AIRPORT COMMISSION,**

and

**CITY AND COUNTY OF SAN FRANCISCO**  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

October 30, 2012

Lease No. 12-0231

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
BOARDING AREA E NEWSSTAND LEASE,  
A SMALL BUSINESS ENTERPRISE SET-ASIDE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SKYLINE CONCESSIONS, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

John L. Martin  
Airport Director

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Lease No. 13-0136



[Click on this page to view the Original Lease  
and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
AIRPORT AMENITIES AND BUSINESS SERVICES  
IN THE INTERNATIONAL TERMINAL BUILDING  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

AIRPORT TRAVEL AGENCY, INC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

Lease No. 13-0202

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 SPECIALTY RETAIL STORE LEASE A**  
**IN TERMINAL 3**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**WDFG North America, LLC,**

as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 17, 2015

Lease No. 15-0039

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION  
LEASE NO. 1**

**AT THE SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Andale Management Group, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No.16-0012

[Click on this page to view the Original Lease  
and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION**  
**LEASE NO. 2**  
**IN INTERNATIONAL TERMINAL**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

High Flying Foods SFO, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0013

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION**  
**LEASE NO. 3**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Tastes on the Fly San Francisco, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0014

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION  
LEASE NO. 4  
AT THE SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Mum Fresh SF, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16 -0015

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION**  
**LEASE NO. 5**  
**AT THE SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**TOMOKAZU JAPANESE CUISINE (SFO) INC.,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0016

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**

**FOR THE**

**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION  
LEASE NO. 7**

**IN INTERNATIONAL TERMINAL**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**SSP America, Inc.,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0017



[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION**  
**LEASE NO. 10**  
**AT THE SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**MIDFIELD CONCESSION ENTERPRISES, INC.**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No.16-0020

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**

**FOR THE**

**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION  
LEASE NO. 11**

**IN INTERNATIONAL TERMINAL**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Bayport Concessions, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0021

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION  
LEASE NO. 12  
AT THE SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Adam Light,

as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No.16-0022

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION**  
**LEASE NO. 14**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SSP America, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

John L. Martin  
Airport Director

February 2016

Lease No. 16-0024

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
SNACK AND BEVERAGE VENDING LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Gilly National, Inc dba Gilly Vending,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 6, 2016

Lease No. 16-0242

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 RETAIL MARKETPLACE**  
**IN THE HUB OF BOARDING AREA F**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between  
**MRG San Francisco, LLC**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

October 4, 2016

Lease No. 16-0256

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING**  
**AREA C FOOD AND BEVERAGE CONCESSION LEASE NO. 1**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

San Francisco Soup Company dba Ladle & Leaf,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 6, 2016

Lease No. 16-0309

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C**  
**FOOD AND BEVERAGE CONCESSION LEASE NO. 2**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HOST INTERNATIONAL, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 2016

Lease No. 16-0310



[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C**  
**FOOD AND BEVERAGE CONCESSION LEASE NO. 3**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

PARADIES LAGARDERE @ SFO, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 2016

Lease No. 16-0311

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**

**FOR THE**

**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C**  
**FOOD AND BEVERAGE CONCESSION LEASE NO. 4**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

AMOURA INTERNATIONAL, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 2016

Lease No. 16-0312

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**

**FOR THE**

**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C  
FOOD AND BEVERAGE CONCESSION LEASE NO. 5**

**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Bun Mee LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 6, 2016

Lease No. 16-0313

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C**  
**FOOD AND BEVERAGE CONCESSION LEASE NO. 7**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Tastes on the Fly San Francisco, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 6, 2016

Lease No. 16-0315

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT**  
**FOR THE**  
**TERMINAL 3 BOARDING AREA F AND TERMINAL 1 BOARDING AREA C**  
**FOOD AND BEVERAGE CONCESSION LEASE NO. 8**  
**AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HIGH FLYING FOODS SFO, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 2016

Lease No.16-0316

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL NEWSSTAND LEASE NO. 1  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HG SFO RETAILERS 2017 JV,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 5, 2017

Lease No. 17-0207

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL NEWSSTAND LEASE NO. 2  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

PACIFIC GATEWAY CONCESSIONS, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 5, 2017

Lease No. 17-0208

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL SPECIALITY CONCESSION LEASE NO. 4  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

CANONICA NEW YORK, LLC

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 5, 2017

Lease No.17-0210



[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL NEWSSTAND LEASE NO. 5  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

PACIFIC GATEWAY CONCESSIONS, LLC  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 5, 2017

Lease No. 17-0211

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL "A" FOOD HALL AND CAFÉ CONCESSION LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SSP AMERICA, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September, 2017

Lease No. 17-0238

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL "A" HISTORIC RESTAURANT CONCESSION LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

ANDRE-BOUDIN BAKERIES, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

October 2017

**Lease No. 17-0239**

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL "A" COFFEE KIOSK CONCESSION LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

BLACK POINT COFFEE SFO, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

Edwin M. Lee  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

October 2017

**Lease No. 17-0254**

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE NO. 1  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**BROOKSTONE SFO T-2, LLC**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

March 20, 2018

**Lease No. 18-0071**

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE NO. 3  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**CANONICA NEW YORK, LLC,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

March, 2018

**Lease No. 18-0073**

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 CASUAL DINING FOOD AND BEVERAGE CONCESSION LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SSP America, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

March, 2018

**Lease No. 18-0074**

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
AIRPORT AUTOMATED RETAIL LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

NEWZOOM, LLC,

as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

June 5, 2018

Lease No.18-0175



[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE NO. 1  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

INMOTION ENTERTAINMENT GROUP, LLC.,

as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0203

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE 2  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

PARADIES LAGARDERE @ SFO 2018, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0204

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE 4  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

L'OCCITANE AIRPORT VENTURE, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0205

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE 5  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

THE MARSHALL RETAIL GROUP, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0206

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE 6  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

RAKH, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0207

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE 7  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SKYLINE CONCESSIONS, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0208

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 1  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Bun Mee, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0209

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 2  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SSP AMERICA, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0210



[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 3  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

AMY'S KITCHEN RESTAURANT OPERATING COMPANY, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18 - 0211

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 4  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

PARADIES LAGARDERE @ SFO 2018 (F&B), LLC ,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No.18-0212

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 5  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Tastes On The Fly San Francisco, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 10, 2018

Lease No.18-0213

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 6  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SOARING FOOD GROUP, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 10, 2018

Lease No.18-0214

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 7  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

LADY LUCK GOURMET, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No.18-0215

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 9  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SF FOODWAYS, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0216

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASE 8  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

HOST INTERNATIONAL, INC.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

July 2018

Lease No. 18-0217

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
INTERNATIONAL TERMINAL BOARDING AREA A ELECTRONICS STORE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

InMotion Entertainment Group, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

August 7, 2018

Lease No. 18-0231



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**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 BOARDING AREAS E AND F ELECTRONICS STORE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

InMotion Entertainment Group, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London Breed  
Mayor

**AIRPORT COMMISSION**  
Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

August 7, 2018

Lease No. 18-0232

**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 BOARDING AREA E RETAIL SPECIALTY STORE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Air Sun JV dba Sunglass Hut, a joint venture between  
Luxottica Retail North America, Inc. and Corliss Stone-Littles, LLC  
as joint tenants

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

August 7, 2018

Lease No. 18-0233



LRNA  
Vittoria

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 BOARDING AREA E CANDY KIOSK  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

CANONICA NEW YORK, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

September 4, 2018

Lease No. 18-0284

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 SUNGLASS STORE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Air Sun JV, d.b.a. Sunglass Hut, a joint venture between  
Luxottica Retail North America, Inc. and Corliss Stone-Littles, LLC  
as joint tenants

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

October 16, 2018

Lease No. 18-0345



CRNA  
VITA

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**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 COFFEE AND QUICK SERVE CONCESSION LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC,  
a joint venture d.b.a. Elevate Gourmet Brands – SFO Group,  
as joint tenants

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenheimer  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

October 2018

Lease No. 18-0346

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
BOARDING AREA C RETAIL CONCESSION LEASE NO. 1  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Hudson Group (HG) Retail, LLC  
RDJ Enterprises, LLC, and  
Stewart Manhattan Investments, Inc.

as joint tenants doing business as

HG SFO RETAILERS 2017 JV

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

November 2018

Lease No. 18-0367

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
BOARDING AREA C RETAIL CONCESSION LEASE NO. 2  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

The Marshall Retail Group, LLC

as tenant  
and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

November 20, 2018

Lease No. 18-0368

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 RETAIL CONCESSION LEASE NO. 3 – SPECIALTY RETAIL  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Emporio Rulli, Inc.,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Peter A. Stern

Ivar C. Satero  
Airport Director

December 18, 2018

Lease No. 18-0395



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On September 15, 2020 by Resolution  
No. 20-0178, L19-0053 assigned to  
Apparel Sourcing and Production.

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 SPECIALTY RETAIL CONCESSION LEASE NO. 2  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**MRG San Francisco, LLC,**  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

March 19, 2019

Lease No.19-0053

[Click on this page to view the Original Lease and subsequent amendments](#)

**LEASE AGREEMENT  
AIRPORT LUGGAGE CART LEASE AND OPERATING AGREEMENT  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SMARTE CARTE INC.  
as tenant and operator

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenhime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

April 2, 2019

Lease No. 19-0069

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 1 BOARDING AREA C FOOD AND BEVERAGE KIOSK LEASE, A SMALL  
BUSINESS ENTERPRISE SET-ASIDE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**PARK CAFÉ GROUP, INC.,**  
as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,**  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

October 1, 2019

Lease No. 19-0244

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 3 BOARDING AREA F FOOD AND BEVERAGE KIOSK LEASE  
A SMALL BUSINESS ENTERPRISE SET-ASIDE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

SIDEWALK JUICE SFO, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenlime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

October 2019

Lease No. 19-0245

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT FOR THE  
TERMINAL 3 BOARDING AREA F NEWS AND  
MULTI CONCEPT RETAIL STORE LEASE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

**MRG San Francisco Terminal 3, LLC,**  
as tenant

and

**CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,**  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Linda S. Crayton, Vice President  
Hon. Eleanor Johns  
Hon. Richard J. Guggenime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

October 1, 2019

Lease No.19-0246

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
HARVEY MILK TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASES IN  
PHASES 3 AND 4 – LEASE 10  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Proper Food SFO Airport, LLC,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Eleanor Johns, Vice President  
Hon. Richard J. Guggenhime  
Hon. Malcolm Yeung  
Hon. Everett A. Hewlett, Jr.

Ivar C. Satero  
Airport Director

March 17, 2020

Lease No. 20-0041

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
HARVEY MILK TERMINAL 1 FOOD AND BEVERAGE CONCESSION LEASES IN  
PHASES 3 AND 4 – LEASE 13  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Culinary Heights Hospitality,  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Eleanor Johns, Vice President  
Hon. Richard J. Guggenheimer  
Hon. Malcolm Yeung  
Hon. Everett A. Hewlett, Jr.

Ivar C. Satero  
Airport Director

March 17, 2020

Lease No. 20-0043

[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
HARVEY MILK TERMINAL 1 RETAIL CONCESSION LEASE NO. 11  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

GENESCO PARTNERS JOINT VENTURES #11,  
a joint venture of Genesco, Inc. and Corliss Stone-Littles, LLC, together as joint tenants

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Eleanor Johns, Vice President  
Hon. Richard J. Guggenlime  
Hon. Everett A. Hewlett, Jr.  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

March 17, 2020

Lease No.20-0046



[Click on this page to view the Original Lease](#)

**LEASE AGREEMENT  
FOR THE  
TERMINAL 2 BOOKSTORE  
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

by and between

Books Inc.  
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO  
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,  
as landlord

London N. Breed  
Mayor

**AIRPORT COMMISSION**

Hon. Larry Mazzola, President  
Hon. Eleanor Johns, Vice President  
Hon. Richard J. Guggenhime  
Hon. Malcolm Yeung

Ivar C. Satero  
Airport Director

March 2020

Lease No. 20-0049

	<b>Contractors</b>	<b>Amount</b>
1	Air Sun JV	\$ 66,758.88
2	Air Sun JV	\$ 139,081.00
3	Airport Travel Agency, Inc.	\$ 243,257.97
4	Amoura International Inc.	\$ 331,999.00
5	Amy's Kitchen Restaurant	\$ 571,416.48
6	Andale Management Group	\$ 85,589.14
7	Andale Management Group	\$ 761,052.54
8	Andre-Boudin Bakeries, Inc.	\$ 361,217.00
9	Apparel Sourcing and Production, LLC	\$ 214,044.44
10	Asian Box	\$ 219,558.45
11	Bayport Concessions, LLC	\$ 62,763.25
12	Bayport Concessions, LLC	\$ 210,071.90
13	BJ Anex LLC	\$ 86,071.00
14	Black Point Coffee SFO, LLC	\$ 165,000.00
15	Books Inc.	\$ 240,002.50
16	Brookstone SFO T-2, LLC	\$ 363,359.00
17	Bun Mee LLC	\$ 331,652.00
18	Bun Mee LLC	\$ 365,000.00
19	Burger Joint, Inc.	\$ 226,630.00
20	Canonica New York, LLC	\$ 328,052.73
21	Canonica New York, LLC	\$ 257,726.74
22	Canonica New York, LLC	\$ 112,639.37
23	Clear Channel Airports, LLC	\$ 12,737,715.25
24	Culinary Heights Hospitality	\$ 385,000.00
25	DFS Group, L.P.	\$ 435,606.91
26	Elevate Gourmet Brands	\$ 53,948.00
27	Elevate Gourmet Brands and Aimhigh ESG	\$ 375,000.00
28	Elevated Tastes SFO Inc.	\$ 222,758.31
29	Emporio Rulli, Inc.	\$ 160,036.00
30	Gate 74, Inc.	\$ 331,998.56
31	Genesco Partners JV #11	\$ 365,000.00
32	Gilly National, Inc.	\$ 167,640.91
33	Gotham Enterprises, LLC	\$ 59,873.88
34	Gotham Enterprises, LLC	\$ 43,680.00
35	Guava & Java	\$ 119,260.32
36	HBF Soto JV, LLC	\$ 158,572.75
37	HBF Soto JV, LLC	\$ 72,742.74
38	HFF-BRH-SFO, LLC	\$ 1,255,398.22
39	HG SFO Retailers 2017, JV	\$ 1,777,683.27
40	HG SFO Retailers 2017, JV	\$ 1,800,000.00
41	High Flying Foods, Inc.	\$ 395,107.47
42	Host International, Inc.	\$ 529,104.62
43	Hudson Group	\$ 718,475.00
44	Hudson Group	\$ 125,000.00
45	InMotion SFO, LLC	\$ 456,189.49
46	InMotion SFO-IT, LLC	\$ 378,300.31

47	InMotion SFO-T3, LLC	\$	232,406.05
48	Lady Luck Gourmet, LLC	\$	276,474.05
49	L'Occitane Airport Venture, LLC	\$	149,337.30
50	MRG San Francisco, LLC	\$	1,632,562.48
51	MRG San Francisco Terminal 3, LLC	\$	825,378.81
52	Paradies Lagardere	\$	788,475.62
53	Paradies Lagardere	\$	721,789.24
54	Park Cafe Group, Inc.	\$	240,000.00
55	Proper Food SFO Airport	\$	275,000.00
56	RAKH, Inc.	\$	138,108.80
57	San Francisco Soup Company	\$	322,232.02
58	Sankaku, Inc.	\$	73,144.19
59	SF Foodways, LLC (Drake)	\$	708,862.63
60	SF Foodways, LLC (Potrero, Tapas)	\$	258,214.27
61	SF Uncork'd, LLC	\$	49,968.00
62	Sidewalk Juice SFO, LLC	\$	152,633.11
63	Silver Dragon	\$	322,232.02
64	Skyline Concessions, Inc.	\$	244,427.97
65	Skyline Concessions, Inc.	\$	247,806.62
66	Smarte Carte, Inc.	\$	1,084,831.78
67	Soaring Food Group	\$	385,000.00
68	SSP America (1300 on Fillmore)	\$	376,664.05
69	SSP America (Litle Chihuahua)	\$	439,088.45
70	SSP America (Marina's Café)	\$	619,020.11
71	SSP America (Sweet Maple)	\$	306,089.88
72	SSP America (Union Street Gastropub)	\$	246,951.18
73	SSP America (Wendy's)	\$	266,368.41
74	SSP America (Roasting Plant)	\$	167,469.88
75	Stellar Partners, Inc.	\$	857,292.58
76	Stellar Partners, Inc.	\$	1,612,942.35
77	Swyft	\$	168,959.06
78	The Marshall Retail Group	\$	440,000.00
79	The Marshall Retail Group	\$	663,721.34
80	TOTF Klein's Deli	\$	158,862.00
81	TOTF Napa Farms & Vino Volo	\$	401,048.55
82	TOTF Lark Creek	\$	317,787.82
83	TOTF Napa Farms & Mustards Bar Grill	\$	1,177,995.15
84	TOTF SF Giants Club	\$	863,196.25
85	TOTF Starbird	\$	372,924.44
86	Urban Tortilla, Inc.	\$	56,064.25
87	WDFG SF Chron SF Travel Hudson	\$	843,683.03
88	WDFG Jo Malone	\$	193,889.42



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0233

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Air Sun JV	<b>TELEPHONE NUMBER</b> 817-421-6399
<b>STREET ADDRESS (including City, State and Zip Code)</b> 8180 Precinct Line Road, Ste 150, Colleyville, TX 76034	<b>EMAIL</b> corliss@sc111c.biz

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0233	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$66,758.88		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location: 1. Sunglass Hut - Terminal 3 Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Stone-Littles	Corliss	Other Principal Officer
2	Delli Santi	Luca	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------





## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0345

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Air Sun JV	<b>TELEPHONE NUMBER</b> 817-421-6399
<b>STREET ADDRESS (including City, State and Zip Code)</b> 8180 Precinct Line Road, Ste 150, Colleyville, TX 76034	<b>EMAIL</b> corliss@sc111c.biz

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0345	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$139,081.00		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: Sunglass Hut - Terminal 2 Boarding Area D post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Stone-Littles	Corliss	Other Principal Officer
2	Delli Santi	Luca	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Airport Travel Agency, Inc.	<b>TELEPHONE NUMBER</b> 510-697-0396
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1746 Truman Street, Richmond, CA 94801	<b>EMAIL</b> linardmdavis@yahoo.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$243,257.97		
<b>NATURE OF THE CONTRACT (Please describe)</b> Airport Amenities and Business Services in International Terminal.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Davis	Linard	Other Principal Officer
2	Feiner	Carol	Other Principal Officer
3	Sanchez	Luis	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0312

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Legislative Clerks Division	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Amoura International Inc.	<b>TELEPHONE NUMBER</b> 650-303-1172
<b>STREET ADDRESS (including City, State and Zip Code)</b> 598 Baden Ave., South San Francisco CA 94080	<b>EMAIL</b> sam@amouracafe.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0312	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$331,999		
<b>NATURE OF THE CONTRACT (Please describe)</b> Amoura Cafe - Boarding Area F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Shihadeh	Bassam	Other Principal Officer
2	Shihadeh	Rome1	Other Principal Officer
3	Shihadeh	Ghassan	Other Principal Officer
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0211

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

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Original	
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#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Amy's Kitchen Restaurant Operating Group, LLC	<b>TELEPHONE NUMBER</b> 707-206-5597
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1650 Corporate Circle, Suite 100, Petaluma, CA 94954	<b>EMAIL</b> paul.schiefer@amys.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0211	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$571,416.48		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Harvey Milk Terminal 1 Amy's Drive Thru		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Irrevocable Trust	The Berliner	Shareholder
2	Kopral	Andrew	Other Principal Officer
3	Resch	Michael	Other Principal Officer
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 10-0034

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Andale Management Group, Inc.	<b>TELEPHONE NUMBER</b> 415-632-9919
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2323 Polk St., San Francisco, CA 94109	<b>EMAIL</b> alvarez_pedro@sbcglobal.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0034	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$85,589.14		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 2 Andale		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Alvarez Jr.	Pedro	Shareholder
2	Alvarez Sr.	Pedro	Shareholder
3	Sanchez	Luis	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0012

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Andale Management Group, Inc.	<b>TELEPHONE NUMBER</b> 415-632-9919
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2323 Polk St., San Francisco, CA 94109	<b>EMAIL</b> alvarez_pedro@sbcglobal.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0012	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$761,052.54		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two location in the International Terminal 24th & Mission Taco House (pre-security, North Food Court) Valencia Street Station (post-security, Boarding Area A)		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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1	Alvarez Jr.	Pedro	Shareholder
2	Alvarez Sr.	Pedro	Shareholder
3	Sanchez	Luis	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 17-0239

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Andre-Boudin Bakeries, Inc.	<b>TELEPHONE NUMBER</b> 415-287-1708
<b>STREET ADDRESS (including City, State and Zip Code)</b> 50 Francisco Street #200, San Francisco, CA 94133	<b>EMAIL</b> gdebrosse@boudinbakery.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 17-0239	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$361,217		
<b>NATURE OF THE CONTRACT (Please describe)</b> Boudin Bakery - Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Duval	Sharon	CEO
2	DeBrosse	Gayle	COO
3	Dozier	William	Other Principal Officer
4	GESD Investors LP		Shareholder
5	GESD Investors II, LP		Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

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Received On:

File #: 240049

Bid/RFP #: 19-0053

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Apparel Sourcing and Production, LLC	<b>TELEPHONE NUMBER</b> 415-410-3384
<b>STREET ADDRESS (including City, State and Zip Code)</b> Pier 54, Suite 208, San Francisco, CA 94158	<b>EMAIL</b> tommy@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 19-0053	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$241,044.44		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location:  1. We are SFC - Terminal 2 Boarding Area D post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Pham	Tommy	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------





## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0015

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Asian Box Palo Alto, LLC	<b>TELEPHONE NUMBER</b> 650-800-7043
<b>STREET ADDRESS (including City, State and Zip Code)</b> 4320 Stevens Creek Blvd #227, San Jose, CA 95129	<b>EMAIL</b> cimerson@asianbox.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0015	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$219,558.45		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to Mum Fresh SF Inc. on August 10, 2016, then assigned to SSP America, Inc. on April 4, 2017 by Resolution 17-0076.  On December 21, 2021, SSP America, Inc. was assigned to Asian Box Palo Alto, LLC by A/C Resolution 21-0249.  Asian Box - located at International Terminal Boarding Area G, Post security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Imerson	Chuck	CEO
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Received On:

File #: 240049

Bid/RFP #: 03-0183

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Bayport Concessions, LLC	<b>TELEPHONE NUMBER</b> 650-348-0556
<b>STREET ADDRESS (including City, State and Zip Code)</b> 533 Airport Blvd., Suite 523, Burlingame, CA 94010	<b>EMAIL</b> jp@wsegroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 03-0183	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$62,763.25		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 3 Koi Palace Express		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Romero	Romero	Shareholder
2	Placencia	Jose	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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Received On:

File #: 240049

Bid/RFP #: 16-0021

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Bayport Concessions, LLC	<b>TELEPHONE NUMBER</b> 650-348-0556
<b>STREET ADDRESS (including City, State and Zip Code)</b> 533 Airport Blvd., Suite 523, Burlingame, CA 94010	<b>EMAIL</b> jp@wsegroupinc.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0021	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$210,071.90		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in the International Terminal, Pre-security Koi Palace Express		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Romero	Miguel	Shareholder
2	Placencia	Jose	Shareholder
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**10. VERIFICATION**

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Received On:

File #: 240049

Bid/RFP #: 10-0035

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> BJ Annex LLC	<b>TELEPHONE NUMBER</b> 415-255-8186
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3676 19th Street, San Francisco, CA 94110	<b>EMAIL</b> info@sbfinancialservices.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0035	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minium Annual Guarantee \$86,071		
<b>NATURE OF THE CONTRACT (Please describe)</b> Burger Joint - Boarding Area D Post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Nazza1	Nida1	CEO
2	Nazza1	Sami	Shareholder
3	Nazza1	Jama1	Shareholder
4	Daibis	Jama1	Shareholder
5	Rizik	Michael	Shareholder
6	Gateside LLC		Shareholder
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Received On:

File #: 240049

Bid/RFP #: 17-0254

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

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Board of Supervisors	Members

#### 3. FILER'S CONTACT

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<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Black Point Coffee SFO, LLC	<b>TELEPHONE NUMBER</b> 703-501-4800
<b>STREET ADDRESS (including City, State and Zip Code)</b> 10726 Falls Pointe Drive, Great Falls, Virginia 22066	<b>EMAIL</b> rita@guavaandjava.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 17-0254	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$165,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Black Point Cafe - Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Bhasker	Nanditta	Other Principal Officer
2	Issa	Irma	Other Principal Officer
3	Sterling	David	Other Principal Officer
4	Issa	Gerges	Other Principal Officer
5	Guava & Java SFO Inc		Shareholder
6	Marinas Cafe Inc		Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 20-0049

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Books Inc.	<b>TELEPHONE NUMBER</b> 415-643-3400
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2483 Washington Avenue, San Leandro, CA 94577	<b>EMAIL</b> aperham@booksinc.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 20-0049	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$240,002.50		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: 1. Compass Books - Boarding Area D post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Perham	Andrew	CEO
2	Grant	Nikolai	Shareholder
3	Mayer	Stephen	Shareholder
4	Tucker	Michael	Shareholder
5	Seamer	George	COO
6	Kinberger	Scott	Other Principal Officer
7	Chan	Kwok	Other Principal Officer
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 18-0071

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Brookstone SFO T-2, LLC	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowland Plaza East Rutherford NJ 07073	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0071	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$363,359		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: Brookstone Boarding Area D post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rossinyol	Xavier	CEO
2	Gerster	Yves	CFO
3	Johnson	Steve	Other Principal Officer
4	Duclos	Pascal	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0313

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Bun Mee LLC	<b>TELEPHONE NUMBER</b> 206-334-2852
<b>STREET ADDRESS (including City, State and Zip Code)</b> 95 Third Street #273, Sann Francisco, CA 94114	<b>EMAIL</b> denise@bunmee.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0313	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$331,652		
<b>NATURE OF THE CONTRACT (Please describe)</b> Bun Mee - Boarding Area F Post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Tran	Phuong	Other Principal Officer
2	Song	Paul	Shareholder
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.		

**10. VERIFICATION**

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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 18-0209

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Bun Mee LLC	<b>TELEPHONE NUMBER</b> 18-0209
<b>STREET ADDRESS (including City, State and Zip Code)</b> 95 Third Street #273, San Francisco, CA 94114	<b>EMAIL</b> denise@bunmee.co

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0209	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$365,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Bun Mee - Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

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Received On:

File #: 240049

Bid/RFP #: 03-0199

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Burger Joint, Inc.	<b>TELEPHONE NUMBER</b> 415-255-8186
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2491 Mission Street, San Francisco, CA 94110	<b>EMAIL</b> info@sbfinancialservices.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 03-0199	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$226,630		
<b>NATURE OF THE CONTRACT (Please describe)</b> Mission Bar & Grill - Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Nazzaḷ	Nidaḷ	CEO
2	Nazzaḷ	Sami	Shareholder
3	Daibis	Deanna	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 17-0210

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Canonica New York, LLC	<b>TELEPHONE NUMBER</b> 415-619-2580
<b>STREET ADDRESS (including City, State and Zip Code)</b> 611 willshire Blvd., Suite 325, Los Angeles, CA 90017	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 17-0210	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$328,052.73		
<b>NATURE OF THE CONTRACT (Please describe)</b> The Chocolate Market - Boarding Area G post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Canonica	Vincent	CEO
2	Heral	Marc	CFO
3	Canonica	Sebastien	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>   <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0073

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysfso.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Canonica New York, LLC	<b>TELEPHONE NUMBER</b> 415-619-2580
<b>STREET ADDRESS (including City, State and Zip Code)</b> 611 willshire Blvd., Suite 325, Los Angeles, CA 90017	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0073	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$257,726.74		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: The Chocolate Market (T2) Boarding Area D post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Canonica	Vincent	CEO
2	Heral	Marc	CFO
3	Canonica	Sebastien	Other Principal Officer
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0284

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Canonica New York, LLC	<b>TELEPHONE NUMBER</b> 415-619-2580
<b>STREET ADDRESS (including City, State and Zip Code)</b> 611 willshire Blvd., Suite 325, Los Angeles, CA 90017	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0284	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$112,639.37		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: The Chocolate Market Candy Kiosk Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Canonica	Vincent	CEO
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3	Canonica	Sebastien	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 12-0231

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

TYPE OF FILING

Original

DATE OF ORIGINAL FILING (for amendment only)

AMENDMENT DESCRIPTION – Explain reason for amendment

#### 2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD

Board of Supervisors

NAME OF CITY ELECTIVE OFFICER

Members

#### 3. FILER'S CONTACT

NAME OF FILER'S CONTACT

Angela Calvillo

TELEPHONE NUMBER

415-554-5184

FULL DEPARTMENT NAME

office of the clerk of the Board

EMAIL

Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT

Cheryl Nashir

DEPARTMENT CONTACT TELEPHONE NUMBER

650-821-4500

FULL DEPARTMENT NAME

AIR Airport Commission

DEPARTMENT CONTACT EMAIL

cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Clear Channel Airports, LLC.	<b>TELEPHONE NUMBER</b> 610-395-8002
<b>STREET ADDRESS (including City, State and Zip Code)</b> 7450 Tilghman Street, Suite 104, Allentown, PA 18106	<b>EMAIL</b> johnmoyer@clearchannel.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 12-0231	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$12,737,715.25		
<b>NATURE OF THE CONTRACT (Please describe)</b> Commercial advertising in all domestic terminals, international terminal, and the Rental Car Center.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Aaselund	Christian	Other Principal Officer
2	Coleman	Brian D	Other Principal Officer
3	Costa	Michelle	Other Principal Officer
4	Feldman	Lynn A.	Other Principal Officer
5	Goldberg	Erika	Other Principal Officer
6	Gotterup	Morten	Other Principal Officer
7	Heintz	Kim	Other Principal Officer
8	Johnson	Jasper	Other Principal Officer
9	Leehan	Gene	Other Principal Officer
10	Levi	Dan	Other Principal Officer
11	McCuin	Bob	Other Principal Officer
12	Parker	Bryan A.	Other Principal Officer
13	Rifkin	Wade	Other Principal Officer
14	Sailer	David	Other Principal Officer
15	wells	Scott R.	Other Principal Officer
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 20-0043

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Culinary Heights Hospitality	<b>TELEPHONE NUMBER</b> 415-632-9919
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2323 Polk St., San Francisco, CA 94109	<b>EMAIL</b> alvarez_pedro@sbcglobal.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 20-0043	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$385,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Harvey Milk Terminal 1 Ritual Coffee		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Alvarez Jr.	Pedro	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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Received On:

File #: 240049

Bid/RFP #: 17-0209

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> DFS Group, L.P	<b>TELEPHONE NUMBER</b> 310-783-6749
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1580 Francisco Street	<b>EMAIL</b> Martin.Matthews@dfs.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 17-0209	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$435,606.91		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: DFS Sunglasses and watches - Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Vuchot	Benjamin	CEO
2	Tang	Timothy	CFO
3	Iltaf	Infan	Other Principal Officer
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 03-0184

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Elevate Gourmet Brands	<b>TELEPHONE NUMBER</b> 415-515-2303
<b>STREET ADDRESS (including City, State and Zip Code)</b> 4300 Redwood Hwy. #100 San Rafael, CA 94903	<b>EMAIL</b> brian@elevategourmetbrands.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 03-0184	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$53,948		
<b>NATURE OF THE CONTRACT (Please describe)</b> Pronto - Boarding F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Araghi	Jason	Other Principal Officer
2	Stewart	Apyrl	Other Principal Officer
3	Laliberte	Brian	Other Principal Officer
4	Araghi	Jon	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0346

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Elevate Gourmet Brands, Inc. and Aimhigh ESG, LLC	<b>TELEPHONE NUMBER</b> 415-515-2303
<b>STREET ADDRESS (including City, State and Zip Code)</b> 4300 Redwood Hwy. #100, San Rafael, CA 94903	<b>EMAIL</b> brian@elevategourmetbrands.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0346	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$375,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two locations: 1) Green Beans Coffee - Boarding Area F - post-security 2) Mac-n-Cheese Kitchen - Boarding Area F - post-security (not yet open)		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Araghi	Jason	Other Principal Officer
2	Glenn	Ebon	Other Principal Officer
3	Laliberte	Brian	Other Principal Officer
4	Aimhigh EGS, LLC		Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0016

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Elevated Tastes SFO Inc.	<b>TELEPHONE NUMBER</b> 650-875-3950
<b>STREET ADDRESS (including City, State and Zip Code)</b> 223 Lawrence Ave. South San Francisco, CA 94080	<b>EMAIL</b> fondexp@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0016	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$222,758.31		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to TOMOKAZU JAPANESE CUISINE (SFO) Inc. on August 10, 2016, then assigned to ELEVATED TASTES SFO Inc On April 4, 2017 by A/C Resolution 17-0075.  One location, located at International Terminal Boarding Area G, post security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	So	francis	other Principal Officer
2	wong	Ringo	other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0395

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Emporio Rulli, Inc	<b>TELEPHONE NUMBER</b> 415-720-1416
<b>STREET ADDRESS (including City, State and Zip Code)</b> 464 Magnolia Street, Larkspur, CA 94939	<b>EMAIL</b> gary@rulli.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0395	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$160,036		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location: 1. G.R. Chocolates - Harvey Milk Terminal 1 Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rulli	Gary	Other Principal Officer
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Received On:

File #: 240049

Bid/RFP #: 16-0311

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commision	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Gate 74, Inc.	<b>TELEPHONE NUMBER</b> 650-755-8889
<b>STREET ADDRESS (including City, State and Zip Code)</b> 318 Westlake Center #274, Daly City CA 94015	<b>EMAIL</b> jaechung1111@yahoo.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0311	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$331,998.56		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to Paradies Lagardere @ SFO, LLC. on June 13, 2017, then assigned to Gate 74, INC. on Jun 03, 2021 by A/C Resolution 21-0125. Proposition Chicken - Located at Terminal 3, Boarding Area F, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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1	Chung	Jae	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 20-0046

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Genesco Partners Joint Ventures #11	<b>TELEPHONE NUMBER</b> 615-367-7348
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1415 Murfreesboro Road Nashville, TN 37217	<b>EMAIL</b> hmarsh@genesco.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 20-0046	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$365,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: Johnston & Murphy Boarding Area B post-security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Ewoldsen	Danny	CEO
2	Anderson	Eric	CFO
3	Marsh	Heather	Other Principal Officer
4	Dipaolo	Richie	Other Principal Officer
5	Shopek	Mari-Anne	Other Principal Officer
6	Stone-Littles	Corliss	Subcontractor
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0242

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Gilly National, Inc.	<b>TELEPHONE NUMBER</b> 305-620-8081
<b>STREET ADDRESS (including City, State and Zip Code)</b> 990 NW 166th St. Miami, FL 33169	<b>EMAIL</b> gilda@gillyvending.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0242	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$167,640.91		
<b>NATURE OF THE CONTRACT (Please describe)</b> Total of (21) vending spaces located at the Airport in the Domestic and International Terminals, Rental Car Center and Parking Garages.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rosenberg	Gilda	CEO
2	Biegun	Amit	CFO
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

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Received On:

File #: 240049

Bid/RFP #: L03-0193

### Notification of Contract Approval

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#### 1. FILING INFORMATION

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Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport	cheryl.nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Gotham Enterprises, LLC., SFO Coffee IV-VI Series	<b>TELEPHONE NUMBER</b> 415-706-8171
<b>STREET ADDRESS (including City, State and Zip Code)</b> 123 Second St., Sausalito, CA	<b>EMAIL</b> glenn.meyers@highflyingfoods.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L03-0193	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$59,873.88		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 3 East, post-security, B/A E approximately 737 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Meyers	Glenn	Other Principal Officer
2	Meyers	Garrett	Other Principal Officer
3	Meyers	Dayna	Other Principal Officer
4	Meyers	Gerald	Shareholder
5	Limited Partner		Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>   <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------





## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L10-0030

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Gotham Enterprises, LLC	<b>TELEPHONE NUMBER</b> 415-243-8908
<b>STREET ADDRESS (including City, State and Zip Code)</b> 133 Stillman Street, San Francisco, CA 94107	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L10-0030	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$43,680		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two Locations: Peet's Coffee & Tea (1) - Boarding Area D - Post-security Peet's Coffee & Tea (2) - Boarding Area D - Post security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: L03-0191

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Guava & Java (SFO), Inc.	<b>TELEPHONE NUMBER</b> 703-501-4800
<b>STREET ADDRESS (including City, State and Zip Code)</b> 10726 Falls Pointe Drive, Great Falls, Virginia 22066	<b>EMAIL</b> rita@freshairportconcepts.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L03-0191	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$119,260.32		
<b>NATURE OF THE CONTRACT (Please describe)</b> A total of 2 facilities, comprising approximately 1,468 square feet of concession space located in Terminal 1 (800 sq ft) & Terminal 3 (668 sq ft).		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Bhasker,	Rita	Board of Directors
2	Sterling	David	Board of Directors
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<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 10-0031

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> HBF Soto JV, LLC	<b>TELEPHONE NUMBER</b> 404-344-7905
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2849 Paces Ferry Rd., 4th Floor, Atlanta, GA 30339	<b>EMAIL</b> gregg.paradies@paradies-na.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0031	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$158,572.75		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 2 Cat Cora Lounge		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Paradies	Gregg	CEO
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Received On:

File #: 240049

Bid/RFP #: 10-0036

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
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#### 2. CITY ELECTIVE OFFICE OR BOARD

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<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
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AIR Airport Commission	cheryl.nashir@flysfo.com



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<b>NAME OF CONTRACTOR</b> HBF Soto JV, LLC	<b>TELEPHONE NUMBER</b> 404-344-7905
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2849 Paces Ferry Rd., 4th Floor, Atlanta, GA 30339	<b>EMAIL</b> gregg.paradies@paradies-na.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0036	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$72,742.74		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 2 The Plant Organic Cafe/Pinkberry		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L16-0316

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> HFF-BRH-SFO, LLC	<b>TELEPHONE NUMBER</b> 415-706-8171
<b>STREET ADDRESS (including City, State and Zip Code)</b> 123 2nd Street, Sausalito, CA 94965	<b>EMAIL</b> glenn.meyers@highflyingfoods.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0316	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$1,255,398.22		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease assigned from original Proposer, High Flying Foods SFO, LLC to HFF BRH SFO, LLC (A/C Resolution 17-0245 adopted 10/3/17) for one location approximately 3,702 square feet of Terminal 1, B/A C post-security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Meyers	Glenn	Other Principal Officer
2	Meyers	Garrett	Other Principal Officer
3	Kevin	Westlye	Other Principal Officer
4			
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Received On:

File #: 240049

Bid/RFP #: 17-0207

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> HG SFO Retailers 2017, JV	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowlands Plaza East Rutherford NJ 07073	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 17-0207	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$1,777,683.27		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: Ingenuity by Hudson Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rossinyo1	Xavier	CEO
2	Gerster	Yves	CFO
3	Johnson	Steve	Other Principal Officer
4	Duclos	Pascal	Other Principal Officer
5	Stewart II	Simeon R.	Other Principal Officer
6	Jones	Rudolph Dwayne	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 18-0367

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> HG SFO Retailers 2017, JV	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowlands Plaza East Rutherford NJ 07073	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0367	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee - \$1,800,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: 49 Mile Market Boarding Area C post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: L16-0013

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> High Flying Foods, Inc.	<b>TELEPHONE NUMBER</b> 415-706-8171
<b>STREET ADDRESS (including City, State and Zip Code)</b> 123 Second Street, Sausalito, CA 94965	<b>EMAIL</b> glenn.meyers@highflyingfoods.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0013	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$395,107.47		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location located in the International Terminal, Post-Security, B/A A, comprised of approximately 3820 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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Received On:

File #: 240049

Bid/RFP #: 18-0217

### Notification of Contract Approval

SFEC Form 126(f)4

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#### 1. FILING INFORMATION

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Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Host International, Inc.	<b>TELEPHONE NUMBER</b> 240-694-4464
<b>STREET ADDRESS (including City, State and Zip Code)</b> 6905 Rockledge Dr., Bethesda, MD 20817	<b>EMAIL</b> amy.dunne@hmshost.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0217	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$529,104.62		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Harvey Milk Terminal 1 Bistrot Bay Area		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	HMSHost Corporation		Shareholder
2	Mamalian	Paul	Other Principal Officer
3	Stentz	Jon	Other Principal Officer
4	Ratych	Mark	Other Principal Officer
5	Poersch	Jeffrey	Other Principal Officer
6	Soaring Food Group, LLC		Other Principal Officer
7	WSE Group, Inc.		Other Principal Officer
8	Investments, Inc.	Stewart Manhattan	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 11-0210

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Hudson Group (HG) Retail, LLC	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowland Plaza East Rutherford NJ 07073	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 11-0210	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$718,475		
<b>NATURE OF THE CONTRACT (Please describe)</b> Three (3) locations: 1. SF Magazine News - Boarding Area F post-security 2. Tumi - Boarding Area F post-security 3. Hudson Newsstand - Boarding Area F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rossinyol	Xavier	CEO
2	Gerster	Yves	CFO
3	Johnson	Steve	Other Principal Officer
4	Duclos	Pascal	Other Principal Officer
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 15-0227

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Hudson Group (HG) Retail, LLC	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowland Plaza East Rutherford NJ 07073	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 15-0227	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$125,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location: Brookstone - International Terminal Building Main Hall pre-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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Received On:

File #: 240049

Bid/RFP #: 18-0203

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> InMotion SFO, LLC	<b>TELEPHONE NUMBER</b> 702-949-8777
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W.Sunset Road, Suite A, Las Vegas, NV 89118	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0203	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$456,189.49		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location:  1. I-Store - Harvey Milk Terminal 1 Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	McOwan	Roderick	Other Principal Officer
2	El Assad	Ziad	Other Principal Officer
3	Kern	Kevin	Other Principal Officer
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0231

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
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AIR Airport Commission	Cheryl.Nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> InMotion SFO-IT, LLC	<b>TELEPHONE NUMBER</b> 702-949-8777
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W.Sunset Road, Suite A, Las Vegas,NV 89118	<b>EMAIL</b> mcowan@marshallretailgroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0231	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$378,300.31		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location:  1. InMotion Entertainment - International Terminal Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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Received On:

File #: 240049

Bid/RFP #: 18-0232

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> InMotion SFO-T3, LLC	<b>TELEPHONE NUMBER</b> 702-949-8777
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W.Sunset Road, Suite A, Las Vegas, NV 89118	<b>EMAIL</b> rmcowan@marshallretailgroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0232	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$232,406.05		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location: 1. SoundBalance - Terminal 3 Boarding Area F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	McCowan	Roderick	Other Principal Officer
2	El Assad	Ziad	Other Principal Officer
3	Kern	Kevin	Other Principal Officer
4			
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L18-0215

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Lady Luck Gourmet, LLC	<b>TELEPHONE NUMBER</b> 909-973-8862
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2268 Westborough Blvd., Ste 306, SSF, CA 94080	<b>EMAIL</b> iva@ladyluckgourmet.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0215	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$276,474.05		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location located in Terminal 1, post-security, Boarding Area B, approximately 724 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Go	Marina	Other Principal Officer
2	Yuzon	Cherimel	Other Principal Officer
3	Chiu	Michelle	Other Principal Officer
4	Go	Ethel	Other Principal Officer
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List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0205

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	415-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> L'Occitane Airport Venture, LLC	<b>TELEPHONE NUMBER</b> 917-605-0815
<b>STREET ADDRESS (including City, State and Zip Code)</b> 111 West 33rd St, 20th floor, New York, NY 10120	<b>EMAIL</b> paul.blackburn@loccitane.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0205	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$149,337.30		
<b>NATURE OF THE CONTRACT (Please describe)</b> L'Occitane - Terminal 1, Boarding Area B, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Blackburn	Paul	Other Principal Officer
2	L'Occitane, Inc.		Shareholder
3	Corliss Stone-Littles LLC		Shareholder
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0256

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> MRG San Francisco, LLC	<b>TELEPHONE NUMBER</b> 702-949-8785
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W. Sunset Road, Suite A, Las Vegas, NV 89178	<b>EMAIL</b> dcharles@marshallretailgroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0256	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$1,632,562.48		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location: 1. District Market - Terminal 3 Boarding Area F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Charles	David	Board of Directors
2	McOwan	Roderick	Other Principal Officer
3	Johnson	Gil	Shareholder
4	Ginsberg	Rilla	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 19-0246

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> MRG San Francisco Terminal 3, LLC	<b>TELEPHONE NUMBER</b> 702-949-8785
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W. Sunset Rd, Suite A, Las Vegas, NV 89178	<b>EMAIL</b> dcharles@marshallretailgroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 19-0246	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$825,378.81		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One (1) location: 1. Silicon Valley News & Gift - Terminal 3 Boarding Area F post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Charles	David	Board of Directors
2	McOwan	Roderick	Other Principal Officer
3	Zhou	Becky	Shareholder
4	Rodriguez	Desiree	Shareholder
5	Brentwood Assoc Private	Equity VLP	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L18-0204

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Paradies Lagardere @ SFO 2018, dba Mills Cargo	<b>TELEPHONE NUMBER</b> 404-344-7905
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2849 Paces Ferry Road, 4th Floor, Atlanta, GA 30339	<b>EMAIL</b> gregg.paradies@paradies-na.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0204	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$788,475.62		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: Mills Cargo - Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Paradies	Gregg	CEO
2	Mungai	Njambi	Other Principal Officer
3	Harland	Nikki	COO
4	Jamison	John	CFO
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

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Received On:

File #: 240049

Bid/RFP #: L18-0212

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Paradies Lagardere @ SFO 2018 (F&B), LLC	<b>TELEPHONE NUMBER</b> 404-349-3226
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2849 Paces Ferry Road, 4th Fl., Atlanta, GA 30339	<b>EMAIL</b> gregg.paradies@paradies-na.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0212	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$721,789.24		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location located in Terminal 1, post-security, B/A B, approximately 2,944 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	The Paradies Shops, LLC		Shareholder
2	JR Lester & Associates		Shareholder
3	Marilla Chocolate Co., Inc		Shareholder
4	Derreck Johnson		Shareholder
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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Received On:

File #: 240049

Bid/RFP #: SFGOV-0000002583

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
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#### 2. CITY ELECTIVE OFFICE OR BOARD

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Board of Supervisors	Members

#### 3. FILER'S CONTACT

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Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Park Cafe Group, Inc. dba Dolores Park Cafe	<b>TELEPHONE NUMBER</b> 415-786-5363
<b>STREET ADDRESS (including City, State and Zip Code)</b> 500 Precita Avenue, San Francisco, CA 94110	<b>EMAIL</b> doloresparkcafe@yahoo.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> SFGOV-0000002583	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$240,000 (Minimum Annual Guarantee)		
<b>NATURE OF THE CONTRACT (Please describe)</b> Dolores Park Café- Harvey Milk Terminal Boarding Area C		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Herbert	Rachel	CEO
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L20-0041

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Proper Food SFO Airport, LLC	<b>TELEPHONE NUMBER</b> 415-889-9150
<b>STREET ADDRESS (including City, State and Zip Code)</b> 350 Townsend St. Ste. 682, SF, CA 94107	<b>EMAIL</b> howard@properfood.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L20-0041	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$275,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 1, post-security, B/A B approximately 615 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	ProperFood, LLC		Shareholder
2	Silver Dragon Cafe, LLC		Shareholder
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Received On:

File #: 240049

Bid/RFP #: 18-0207

### Notification of Contract Approval

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(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

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Board of Supervisors	Members

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<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> RAKH, Inc.	<b>TELEPHONE NUMBER</b> 408-410-1084
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2506 Blairgowery Court, Gilroy, CA 95020	<b>EMAIL</b> alirakh@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0207	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$138,108.80		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: 1. NYS Collection Eyewear - Harvey Milk Terminal 1 Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	rakshani far	Ali	Board of Directors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L16-0309

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> San Francisco Soup Company	<b>TELEPHONE NUMBER</b> 415-519-7687
<b>STREET ADDRESS (including City, State and Zip Code)</b> 451 6th St., San Francisco, CA 94103	<b>EMAIL</b> steve@sfsoupco.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0309	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$322,232.02		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 3 Ladle & Leaf		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Sarver	Steve	Shareholder
2	Sarver	Jennifer	Shareholder
3	Chan	Clayton	Shareholder
4	Living Trust	Michael Rubenstein	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 10-0033

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Sankaku, Inc	<b>TELEPHONE NUMBER</b> 415-331-8910
<b>STREET ADDRESS (including City, State and Zip Code)</b> 36 willow lane, Sausalito, CA 94965	<b>EMAIL</b> hiro@sankakuusa.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0033	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$73,144.19		
<b>NATURE OF THE CONTRACT (Please describe)</b> Wakaba - Located at Terminal 2, Boarding Area D, Post security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Hattori	Kimiko	Other Principal Officer
2	Hattori	Hiro	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0216

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SF Foodways, LLC	<b>TELEPHONE NUMBER</b> 650-280-1812
<b>STREET ADDRESS (including City, State and Zip Code)</b> 533 Airport Blvd., Suite 523, Burlingame, CA 94010	<b>EMAIL</b> adamlight@comcast.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0216	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$708,862.63		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Harvey Milk Terminal 1 Flyaway by Drake's Brewing		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	A&M Restaurants, LLC		Shareholder
2	Bayport Concessions, LLC		Shareholder
3	McEnergy	Tom	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0022

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SF Foodways, LLC	<b>TELEPHONE NUMBER</b> 650-280-1812
<b>STREET ADDRESS (including City, State and Zip Code)</b> 533 Airport Blvd., Suite 523, Burlingame, CA 94010	<b>EMAIL</b> adamlight@comcast.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0022	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$258,214.27		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two locations in International Terminal, Pre-security Potrero Grill and Tapas & Taps		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	A&M Restaurants, LLC		Shareholder
2	Bayport Concessions, LLC		Shareholder
3	Light	Adam	Other Principal Officer
4	Romero	Miguel	Other Principal Officer
5	Placencia	Jose	Other Principal Officer
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Received On:

File #: 240049

Bid/RFP #: 12-0089

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysf.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SF Uncork'd, LLC	<b>TELEPHONE NUMBER</b> 415-850-1005
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1977 O'Farrell St., San Mateo, CA 94403	<b>EMAIL</b> rillag1@earthlink.net

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 12-0089	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$49,968		
<b>NATURE OF THE CONTRACT (Please describe)</b> On location in Terminal 3 SF Uncork'd Wine Bar		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 19-0245

### Notification of Contract Approval

SFEC Form 126(f)4

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A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

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Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	cheryl.nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Sidewalk Juice SFO, LLC	<b>TELEPHONE NUMBER</b> 415-880-0044
<b>STREET ADDRESS (including City, State and Zip Code)</b> 1860 El Camino Real, Suite 221, Burlingame, CA 94010	<b>EMAIL</b> gus@sidewalkjuice.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 19-0245	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$152,633.11		
<b>NATURE OF THE CONTRACT (Please describe)</b> 1 location Sidewalk Juice, Terminal 3		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Daibis	Ghassan	CEO
2	Daibis	Rami	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: 16-0310

### Notification of Contract Approval

SFEC Form 126(f)4

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A Public Document

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<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Silver Dragon Cafe, LLC	<b>TELEPHONE NUMBER</b> 510-654-8899
<b>STREET ADDRESS (including City, State and Zip Code)</b> 400 Montgomery St. Suite 910, SF CA 94104	<b>EMAIL</b> lilly@silverdragoncafe.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0310	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$322,232.02		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to Host International, Inc. on December 6, 2016, then assigned to Silver Dragon Cafe, LLC on December 15, 2020 by A/C Resolution 20-0258.  Bacon Bacon - Terminal 3, Boarding Area F, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Mar	Lilly	Other Principal Officer
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3	Chee	Wesley	Shareholder
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<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>   <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: L13-0136

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Skyline Concessions, Inc.	<b>TELEPHONE NUMBER</b> 650-743-6199
<b>STREET ADDRESS (including City, State and Zip Code)</b> 746 Laurel Avenue, Burlingame, CA 94010	<b>EMAIL</b> manuel.iv.skyline@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L13-0136	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$244,427.97		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: Skyline News and Gifts - Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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Received On:

File #: 240049

Bid/RFP #: L18-0208

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<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

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<b>NAME OF CONTRACTOR</b> Skyline Concessions, Inc.	<b>TELEPHONE NUMBER</b> 650-743-6199
<b>STREET ADDRESS (including City, State and Zip Code)</b> 746 Laurel Ave, Burlingame, CA 94010	<b>EMAIL</b> manuel.iv.skyline@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0208	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$247,806.62		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: Skyline News and Gifts - Boarding Area B post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------





## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 19-0069

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Smarte Carte, Inc.	<b>TELEPHONE NUMBER</b> 651.308.0049
<b>STREET ADDRESS (including City, State and Zip Code)</b> 4455 White Bear Parkway, St. Paul, MN 55110	<b>EMAIL</b> mutler@smartecarte.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 19-0069	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$1,084,831.78		
<b>NATURE OF THE CONTRACT (Please describe)</b> Rental of luggage carts in all domestic terminals, and international terminal including FIS.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Niemeyer	Drew, D.	CEO
2	warren	Scott	CFO
3	Schultz	Greg	Other Principal Officer
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L18-0214

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Soaring Food Group, LLC	<b>TELEPHONE NUMBER</b> 510-710-1914
<b>STREET ADDRESS (including City, State and Zip Code)</b> 833 Oxford St., Berkeley, CA 94707	<b>EMAIL</b> jcook@soaringfood.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0214	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$385,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> One location in Terminal 1, post-security, B/A B, approximately 781 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Joseph G. Cook		Other Principal Officer
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L16-0017

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0017	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$376,664.05		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One location in International Terminal, post-security, Boarding Area G, approximately 1694 square feet.  Email: patrick.murray@foodtravelexperts.com		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Svagdis	Michael	CEO
2	Murray	Patrick	Other Principal Officer
3	Mboya	George	Other Principal Officer
4	Levy	Sarah	Shareholder
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**9. AFFILIATES AND SUBCONTRACTORS**

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Incomplete - Pending Signature

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L18-0210

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Legislative Clerks Division	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Air SFO Commission	cheryl.nashir@flysfo.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0210	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$439,088045		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One location in the Harvey Milk Terminal 1, post-security, Boarding Area B, approximately 1163 square feet.  Email: patrick.murray@foodtravelexperts.com		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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1	Svagdīs	Michael	CEO
2	Murray	Patrick	Other Principal Officer
3	Mboya	George	Other Principal Officer
4	Levy	Sarah	Shareholder
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Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L17-0238

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L17-0238	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee: \$619,020.11		
<b>NATURE OF THE CONTRACT (Please describe)</b>  Two locations: 1) Approximately 700 in the SFO's Consolidated Administrative Campus on West Field Road. 2) Approximately 3,241 square feet, post-security, International Terminal Boarding Area A.  Email: patrick.murray@foodtravelexperts.com		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Svagdis	Michael	CEO
2	Murray	Patrick	Other Principal Officer
3	Mboya	George	Other Principal Officer
4	Levy	Sarah	Shareholder
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L18-0074

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Air Air	cheryl.nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20174	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0074	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee : \$306,089.88		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One location in Terminal 2, post-security, Boarding Area D, approximately 1,597 square feet.  Email: patrick.murray@foodtravelexperts.com		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 03-0200

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR SFO Commission	cheryl.nashir@flysfo.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 03-0200	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$246,951.18		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One location, Terminal 3, post-security, Boarding Area E. approximately 3111 square feet. (Replacement premises due to Terminal T3 East expansion and renovation.  Email: Patrick.murray@foodtravelexperts.com		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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1	Svagdis	Michael	CEO
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3	Mboya	George	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L16-0024

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Air Airport Commission	cheryl.nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Ste. 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0024	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$266,368.41		
<b>NATURE OF THE CONTRACT (Please describe)</b>  One location in the International Terminal, pre-security, Boarding Area A side, approximately 544 Square Feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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## San Francisco Ethics Commission

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Received On:

File #: 240049

Bid/RFP #: L16-0020

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

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Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
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Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
Airport Commission	cheryl.nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> SSP America, Inc.	<b>TELEPHONE NUMBER</b> 202-321-7028
<b>STREET ADDRESS (including City, State and Zip Code)</b> 20408 Bashan Drive, Suite 300, Ashburn, VA 20147	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L16-0020	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$167,469.88		
<b>NATURE OF THE CONTRACT (Please describe)</b> <p>Lease was originally awarded to Midfield Concession Enterprises, Inc. On January 19, 2016, then assigned to SSP America, SFO, LLC on May 16, 2023, by A/C Resolution No. 23-0130.</p> <p>One location, located pre-security International Terminal Food Court, B/A A side, approximately 860 square feet.</p> <p>Email: patrick.murray@foodtravelexpress.com</p>		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
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## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L17-0208

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Stellar Partners, Inc.	<b>TELEPHONE NUMBER</b> 813-396-3639
<b>STREET ADDRESS (including City, State and Zip Code)</b> 12750 Citrus Park Lane, Suite 210, Tampa, FL 33625	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L17-0208	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$857,292.58		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: The New Stand - Boarding Area A post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Drennan	Padraig	CEO
2	DePriest	John	COO
3	Knight	Todd	Other Principal Officer
4	Schmitz	Jim	Other Principal Officer
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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Received On:

File #: 240049

Bid/RFP #: L17-0211

### Notification of Contract Approval

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<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysfso.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Stellar Partners, Inc.	<b>TELEPHONE NUMBER</b> 813-396-3639
<b>STREET ADDRESS (including City, State and Zip Code)</b> 12750 Citrus Park Lane, Suite 210, Tampa FL 33625	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L17-0211	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$1,612,942.35		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: The New Stand - Boarding Area G post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

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Received On:

File #: 240049

Bid/RFP #: 18-0175

### Notification of Contract Approval

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<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

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Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysfso.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Swyft, Inc	<b>TELEPHONE NUMBER</b> 415-370-6600
<b>STREET ADDRESS (including City, State and Zip Code)</b> 140 Geary St. Floor 7, SF CA 94108	<b>EMAIL</b> gower.smith@swyft.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0175	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$168,959.06		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to NEWZOOM, LLC on June 5, 2018, then assigned to Swyft, Inc. on June 4, 2021 by A/C Resolution No. 21-0135.  Swyft currently has 13 vending spaces located at San Francisco International Airport at Boarding Area(s) A, B, D, D, E, F and G.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
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**9. AFFILIATES AND SUBCONTRACTORS**

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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Smith	Gower	CEO
2	Carpenter	Mike	CFO
3	Benson	Ian	Other Principal Officer
4	Kisser	Lynn	Other Principal Officer
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Received On:

File #: 240049

Bid/RFP #: L18-0206

### Notification of Contract Approval

SFEC Form 126(f)4

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR                      Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> The Marshall Retail Group	<b>TELEPHONE NUMBER</b> 702-949-8787
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3755 W. Sunset Road, Suite A, Las Vegas, NV 89118	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0206	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$440,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two (2) locations: 1. DepARTures - Boarding Area B post-security 2. 7X7 - Boarding Area B pre-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
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1	Keir	Toby	CEO
2	Ginsberg	Rilla	Other Principal Officer
3	Rodriguez	Desiree	Other Principal Officer
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Received On:

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Bid/RFP #: L18-0368

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6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L18-0368	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$663,721.34		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: The Scoop - Boarding Area C post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
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2	Ginsberg	Rilla	Other Principal Officer
3	Rodriguez	Desiree	Other Principal Officer
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 03-0192

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes on The Fly, Inc	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, San Mateo CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 03-0192	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$158,862		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to J.Avery Enterprises on September 29,2003, then assigned to Tastes on the Fly San Francisco, LLC on October 16, 2015 by A/C Resolution 15-0212.  Klein's Deli has two locations at Terminal 1, Boarding Area B, Post Security and Terminal 3, Boarding Area E, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>



**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Levine	Michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
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**10. VERIFICATION**

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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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Received On:

File #: 240049

Bid/RFP #: 10-0029

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nishir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes On The Fly	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, San Mateo, CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0029	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$401,048.55		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to D-Lew Enterprises, LLC on June 30, 2010, then assigned to Tastes on the Fly San Francisco, LLC on November 15, 2011 by A/C Resolution 11-0268.  Two adjaent Locations: 1. Napa Farms Market - Terminal 2, Boarding Area D, Post Security. 2. Vino Volo- Terminal 2, Boarding Area D, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Levine	Michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 10-0032

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes On The Fly	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, san Mateo CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 10-0032	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$ 317,787.82		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to D-Lew Enterprises on June 30,2010 then assigned to Tastes on the Fly San Francisco on October 6, 2011 by A/C Resolution 11-0267.  One Location, Terminal 2, Boarding Area D, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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1	Levine	Michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
4	Garnik	Larry	Other Principal Officer
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**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 16-0014

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

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Cheryl Nishir	650-821-1500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes On The Fly	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, San Mateo CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0014	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$1,177,995.15		
<b>NATURE OF THE CONTRACT (Please describe)</b> Two (2) Locations: 1. Napa Farms Market - Boarding Area G, Post Security 2. Mustards Bar & Grill - Boarding Area G, Post Security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Levine	michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
4	Lewis	Darren	Shareholder
5	Rodrick	Scott	Shareholder
6	Garnick	Larry	Shareholder
7	Mayo	Carmen	Shareholder
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<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

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<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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Received On:

File #: 240049

Bid/RFP #: 16-0315

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nishir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes On the Fly	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, San Mateo CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 16-0315	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$863,196.25		
<b>NATURE OF THE CONTRACT (Please describe)</b> SF Giants Club House - Terminal 3 Boarding Area F, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Levine	Michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
4			
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: 18-0213

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Tastes On The Fly	<b>TELEPHONE NUMBER</b> 628-300-7185
<b>STREET ADDRESS (including City, State and Zip Code)</b> P.O.Box 1539, San Mateo, CA 94401	<b>EMAIL</b> luke.torres@tastesonthefly.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> 18-0213	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$372,924.44		
<b>NATURE OF THE CONTRACT (Please describe)</b> Starbird - Located in Terminal 1, Boarding Area B, Post Security.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Levine	Michael	Board of Directors
2	Ames	Edie	CEO
3	Torres	Luke	CFO
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L03-0187

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650.821.4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Urban Tortilla, Inc.	<b>TELEPHONE NUMBER</b> 415-990-0160
<b>STREET ADDRESS (including City, State and Zip Code)</b> 2169 Harbor Bay Parkway, Alameda, CA 94502	<b>EMAIL</b> jonathan.leong9@gmail.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L03-0187	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> Minimum Annual Guarantee \$56,064.25		
<b>NATURE OF THE CONTRACT (Please describe)</b> Lease was originally awarded to L & H, LLC on September 29, 2003 under A/C Resolution 03-0187. A/C Resolution 05-0042 on March 22, 2005 assigned the Lease to Luna Azul Corporation. A/C Resolution 13-0258 assigned the Lease to Urban Tortilla, Inc. on December 3, 2013.  One location in Terminal 3, post-security, Boarding Area E, approximately 703 square feet.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Leong	Jonathan	Other Principal Officer
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 240049

Bid/RFP #: L12-0085

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Cheryl Nashir	650-821-4500
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> World Duty Free Group North America, LLC	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowlands Plaza, 11th Floor, East Rutherford, NJ	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L12-0085	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$843,683.03		
<b>NATURE OF THE CONTRACT (Please describe)</b> Four (4) locations: 1. SF Chronicle News - International Terminal A pre-security 2. Green Beans Coffee - International Terminal G pre-security 3. Hudson News - International Terminal Main Hall pre-security 4. SF Travel News - Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Rossinyol	Xavier	CEO
2	Gerster	Yves	CFO
3	Johnson	Steve	Other Principal Officer
4	Duclos	Pascal	Other Principal Officer
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Received On:

File #: 240049

Bid/RFP #: L15-0039

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

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#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
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AIR Airport Commission	Cheryl.Nashir@flysf.com

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> World Duty Free Group North America, LLC	<b>TELEPHONE NUMBER</b> 201-939-5050
<b>STREET ADDRESS (including City, State and Zip Code)</b> One Meadowlands Plaza, 11th Floor, East Rutherford, NJ	<b>EMAIL</b> cthornnton@hudsongroup.com

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b> L15-0039	<b>FILE NUMBER (If applicable)</b> 240049
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$193,889.42		
<b>NATURE OF THE CONTRACT (Please describe)</b> One (1) location: Jo Malone and Tom Ford - Boarding Area E post-security		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
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**9. AFFILIATES AND SUBCONTRACTORS**

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3	Johnson	Steve	Other Principal Officer
4	Duclos	Pascal	Other Principal Officer
5	Stewart	Apy1	Other Principal Officer
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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San Francisco International Airport

January 19, 2024

Ms. Angela Calvillo  
Clerk of the Board  
Board of Supervisors  
City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

Subject: Approval of COVID-19 Lease Extension Program for Certain Airport Food and Beverage, Retail, and Service Concession Leases

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval of the proposed Resolution, which approves the COVID-19 Lease Extension Program which provides the opportunity for lease term extensions for 88 concessions tenants at San Francisco International Airport.

The following is a list of accompanying documents:

- Board of Supervisors Resolution;
- Approved Airport Commission Resolution No. 23-0224;
- Memorandum accompanying Airport Commission Resolution No. 23-0224; and,
- SFEC-126(f)4 (Board of Supervisors) for all amendments

Please contact Cathy Widener, Chief External Affairs Officer, at (650) 821-5023 if you have any questions or concerns regarding this matter.

Very truly yours,

*Kantrice Ogletree /s/*

Kantrice Ogletree  
Commission Secretary

Enclosures

cc: Cathy Widener, Chief External Affairs Officer