

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

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

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9 WHEREAS, The Airport has closed Boarding Area E for approximately two and one
10 half years for major renovations; and

11 WHEREAS, During this renovation, Subway, Jalapeno Grill, Guava & Java and Mission
12 Bar and Grill’s facilities will be demolished and tenants will be responsible for building new
13 premises; and

14 WHEREAS, The Airport Commission approved Resolution Nos. 12-0054, 12-0055,
15 12-0056, and 12-0057, which includes replacement premises in Boarding Area E, adjustment
16 of the Minimum Annual Guarantee, a new commencement date of the (10) year term, a new
17 minimum investment amount, inclusion of the Airport’s Sustainable Food Guideline and
18 reimbursement of unamortized investments now, therefore, be it

19 RESOLVED, That the Board of Supervisors hereby approves Amendment No. 2, to
20 Lease No. 03-0185 with Baysubway Airport; No. 03-0187 with Luna Azul Corporation; No. 03-
21 0191 with Guava & Java (SFO), Inc.; and No. 03-0199 with Burger Joint, Inc., as follows:

- 22 1. Replacement Premises. Original premises shall be replaced with premises of
23 comparable size in Boarding Area E (“Replacement Premises”).

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- 1 2. Commencement of Ten (10) Year Term. New Lease rent commencement date shall
2 be the earlier date of (i) the Replacement Premises are open for business or (ii) the
3 majority of gates in Boarding Area E are occupied (“Commencement Date”).
- 4 3. Rent. The Minimum Annual Guarantee (“MAG”) will be adjusted to reflect the
5 Replacement Premises and will commence on the new Commencement Date.
- 6 4. Minimum Investment Amount. The Minimum Investment Amount for the
7 Replacement Premises shall be \$350 per square foot.
- 8 5. Use and Operational Requirements. Permitted uses include the Airport’s
9 Sustainable Food Guideline.
- 10 6. Reimbursement of Unamortized Construction Costs.
- 11 • Subway to be reimbursed in the amount of One Hundred Fifty Four
12 Thousand Nine Hundred Seven Dollars (\$154,907)
- 13 • Jalapeno Grill to be reimbursed in the amount of One hundred Fifty One
14 Thousand Three Hundred Fifty Three Dollars (\$151,353)
- 15 • Guava & Java to be reimbursed in the amount of One Hundred Forty Four
16 Thousand Five Hundred Fifty Nine Dollars (\$144,559)
- 17 • Mission Bar & Grill to be reimbursed in the amount of Four Hundred Fifty
18 Five Thousand One Hundred Thirty Four Dollars (\$455,134)

19 FURTHER RESOLVED, That the Airport Director shall take all steps necessary to
20 implement such Amendment No. 2 to the Leases, including execution of the appropriate
21 documents.

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