

1 [Lease Amendment - Domestic Terminal 3 Common Use Club Lease No. 13-0006 -
2 American Express Travel Related Services Company, Inc. - Minimum Annual Guarantee
3 \$3,226,546 - Annual Promotional Charge \$15,287]

4 **Resolution approving Amendment No. 2 to the Domestic Terminal 3 Common Use**
5 **Club Lease No. 13-0006 between American Express Travel Related Services**
6 **Company, Inc. and the City and County of San Francisco, acting by and through its**
7 **Airport Commission, to increase the square footage of the Lounge premises to**
8 **approximately 15,287 square feet, establish a new Minimum Annual Guarantee**
9 **amount of \$3,226,546 for the newly expanded premises, increase the annual**
10 **Promotional Charge to \$15,287 in proportion to the net increase in square footage of**
11 **the premises and to extend the ten year term by seven years with a new expiration**
12 **date of November 5, 2031, to commence upon Board approval.**

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14 WHEREAS, On January 15, 2013, by Resolution No. 13-0006, the Airport
15 Commission (Commission) awarded the Terminal 3 Common Use Club Lease No. 13-0006
16 (Lease) to American Express Travel Related Services Company, Inc. (Tenant) which
17 operates the American Express Centurion Lounge, for a term of 10 years, currently expiring
18 November 5, 2024; and

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

21 WHEREAS, On October 6, 2020, by Resolution No. 20-0180, the Commission
22 approved the COVID-19 Emergency Relief Program for Airport Concession Operators, which
23 will be set forth in Amendment No. 1 to the Lease; and,

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1 WHEREAS, On January 5, 2021, by Ordinance No. 5-21, the Board of Supervisors
2 approved the COVID-19 Emergency Relief Program for Airport Concession Operations, which
3 will be set forth in Amendment No.1 to the Lease; and,

4 WHEREAS, On November 10, 2020, by Resolution No. 20-0207, the Commission
5 approved Amendment No. 2 to the Lease, which increased the square footage of the
6 premises to approximately 15,287 square feet, established a new Minimum Annual Guarantee
7 amount of \$3,226,546 for the newly expanded premises, increased the annual Promotional
8 Charge to \$15,287 in proportion to the net increase in square footage of the premises, and
9 extended the term by seven years beyond its current expiration date of November 5, 2024;
10 and,

11 WHEREAS, Airport staff anticipates that Tenant's cost to construct tenant
12 improvements in the expansion space will be at least \$1,200 per square foot; now, therefore,
13 be it

14 RESOLVED, That this Board of Supervisors approves Amendment No. 2 to the
15 Domestic Terminal 3 Common Use Club Lease No. 13-0006 with American Express Travel
16 Related Services Company, Inc. to increase the square footage of the Lounge premises to
17 approximately 15,287 square feet, establish a new Minimum Annual Guarantee amount of
18 \$3,226,546 for the newly expanded premises, increase the annual Promotional Charge to
19 \$15,287 in proportion to the net increase in square footage of the premises, and extend the
20 term by seven years beyond the current expiration date of November 5, 2024, a copy of which
21 is on file with the Clerk of the Board of Supervisors in File No. 210068; and be it

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

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