

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 17-0303

**AWARD OF THE INTERNATIONAL TERMINAL DUTY FREE AND LUXURY STORES LEASE**

WHEREAS, by Resolution No. 17-0030, adopted on February 21, 2017, the Commission authorized Staff to commence the request for proposals process for the International Terminal Duty Free and Luxury Stores Lease (“Lease”); and

WHEREAS, by Resolution No. 17-0126 adopted June 6, 2017, the Commission approved the minimum qualification requirements and lease specifications, and authorized Staff to accept proposals for the Lease; and

WHEREAS, on September 15, 2017, Staff received four proposals for the Lease from the following proposers: DFS Group, LP; Dufry North America, LLC; Duty Free Americas San Francisco, LLC; and Travel Retail San Francisco, LLC; and

WHEREAS, a six-member panel reviewed the qualifying proposals and determined DFS Group L.P. to be the highest-ranking, responsive, and responsible proposer; now, therefore, be it

RESOLVED, that this Commission hereby awards the International Terminal Duty Free and Luxury Stores Lease to DFS Group L.P., under the conditions set forth in the Staff memorandum on file with the Commission Secretary, including but not limited to a term of 14 years with an automatic extension up to five years to ensure the tenant has five years to operate in a newly created International Terminal central retail plaza if it is constructed, and a Minimum Annual Guarantee of \$42,000,000.00 for the first year of the Lease, and subject to its compliance with the Nondiscrimination in Employment Program and Equal Benefits Ordinance; and, be it further

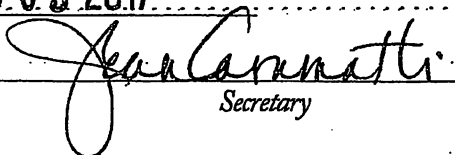
RESOLVED, that the Airport Commission authorizes the Airport Director to enter into any modifications to the Lease that the Airport Director determines, in consultation with the City Attorney, are in the best interests of the City and County of San Francisco, do not otherwise materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease or this Resolution, and are in compliance with all applicable laws, including the Charter of the City and County of San Francisco; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request approval of the Lease by Resolution of the Board of Supervisors pursuant to 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*

*at its meeting of*

**DEC 05 2017**

  
Secretary