

1 [Lease Amendment No. 2 - Stellar Partners, Inc. - Boarding Area F Specialty Store Lease
2 No. 12-0086 - Term Extension]

3 **Resolution approving Amendment No. 2 to the Boarding Area F Specialty Store**
4 **Lease No. 12-0086, between Stellar Partners, Inc., as tenant, and the City and County**
5 **of San Francisco, acting by and through its Airport Commission, for an extension of**
6 **the term for no later than June 30, 2023, with a condition that the Airport Director, at**
7 **his sole and absolute discretion, may terminate earlier by providing six months'**
8 **advance written notice, with no change to the current minimum annual guarantee,**
9 **subject to adjustment in accordance with the terms and conditions of the Lease,**
10 **effective upon approval by the Board of Supervisors.**

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12 WHEREAS, On April 17, 2012, by Resolution No. 12-0086, the Airport Commission
13 (Commission) awarded the Boarding Area F Specialty Store Lease No. 12-0086 (Lease) to
14 Avila Retail Development and Management, LLC (Original Tenant) for a specialty retail store
15 located in Terminal 3 of the San Francisco International Airport (Airport) for a term of seven
16 years; and

17 WHEREAS, On February 26, 2013, by Resolution No. 048-13, the Board of
18 Supervisors approved the Lease; and

19 WHEREAS, On August 7, 2018, by Resolution No. 18-0257, the Commission approved
20 the assignment of the Lease by Original Tenant to Stellar Partners, Inc.; and

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

24 WHEREAS, Staff has determined that, due to the COVID-19 pandemic and the
25 resulting severe decline in enplanements and concession traffic, commencing a new Request

1 for Proposals process for this Lease would not be prudent because there would not be
2 sufficient interest to conduct a strong competitive process; and

3 WHEREAS, On December 15, 2020, by Resolution No. 20-0249, the Commission
4 approved Amendment No. 2 to the Lease to extend the term of the Lease to maintain
5 concession operations, preserve customer service, and maintain revenue; and

6 WHEREAS, On January 5, 2021, by Ordinance No. 5-21, the Board of Supervisors
7 approved the COVID-19 Emergency Relief Program for Airport Concession Operations; now
8 therefore, be it

9 RESOLVED, That this Board of Supervisors approves Amendment No. 2 to the
10 Boarding Area F Specialty Store Lease No. 12-0086 in Terminal 3 with Stellar Partners, Inc. to
11 extend the term of the Lease to no later than June 30, 2023, with a condition that the Airport
12 Director, at his sole and absolute discretion, may terminate earlier by providing six months'
13 advance written notice, a copy of which is on file with the Clerk of the Board of Supervisors in
14 File No. 210635; and, be it

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

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 210635

Date Passed: September 21, 2021

Resolution approving Amendment No. 2 to the Boarding Area F Specialty Store Lease No. 12-0086, between Stellar Partners, Inc., as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, for an extension of the term for no later than June 30, 2023, with a condition that the Airport Director, at his sole and absolute discretion, may terminate earlier by providing six months' advance written notice, with no change to the current minimum annual guarantee, subject to adjustment in accordance with the terms and conditions of the Lease, effective upon approval by the Board of Supervisors.


September 15, 2021 Budget and Finance Committee - RECOMMENDED

September 21, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210635

I hereby certify that the foregoing Resolution was ADOPTED on 9/21/2021 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

9/29/21

Date Approved