

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 15-0253

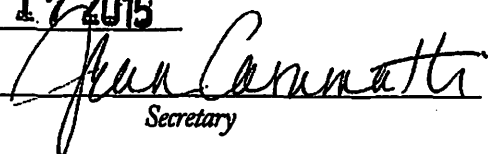
APPROVAL OF A 2011 LEASE AND USE AGREEMENT WITH CHINA SOUTHERN AIRLINES COMPANY LIMITED FOR OPERATING RIGHTS AND RENTAL OF TERMINAL SPACE AT SAN FRANCISCO INTERNATIONAL AIRPORT, AND DIRECTING THE COMMISSION SECRETARY TO FORWARD THE LEASE TO THE BOARD OF SUPERVISORS FOR APPROVAL

- WHEREAS, China Southern Airlines Company Limited ("China Southern") conducts flight operations at San Francisco International Airport ("Airport") pursuant to Airline Operating and Space Permit No. 4434; and
- WHEREAS, China Southern wishes to become a signatory airline at the Airport pursuant to a 2011 Lease and Use Agreement ("2011 Lease"), a lease comparable to the 2011 Leases previously approved for 47 other airlines; and
- WHEREAS, as initially approved in March 2010, the 2011 Lease has a term of ten (10) years, expiring on June 30, 2021, and provides for terminal rent and landing fees in accordance with the Airport's Rates and Charges; and
- WHEREAS, the Airport Commission of the City and County of San Francisco ("City") and China Southern now desires to enter into a 2011 Lease under the same terms and conditions, except that the term will be approximately five years and six months, with the exact term dependent upon full approval of the 2011 Lease by the City; and
- WHEREAS, in order to facilitate the implementation of the 2011 Lease and the placement in service of new facilities, the Commission desires to authorize the Airport Director to enter into non-material modifications to the 2011 Lease, including changes to the demised premises not to exceed 10% of leased square footage, that the Airport Director determines, in consultation with the City Attorney, are in the best interests of the Commission, do not otherwise materially increase the obligations or liabilities of the Commission, are necessary or advisable to effectuate the purposes of the 2011 Lease or this Resolution, and are in compliance with all applicable laws, including City's Charter; now, therefore, be it
- RESOLVED, that this Commission approves the 2011 Lease between China Southern and the City consistent with the terms of the attached memorandum, subject to China Southern's compliance with Chapter 12B of the City's Administrative Code and other City contracting requirements or obtaining the appropriate waivers thereto, as applicable; and, be it further
- RESOLVED, that this Commission authorizes the Airport Director to execute said 2011 Lease and to enter into any non-material modifications thereto, including changes to the demised premises of not to exceed 10% of leased square footage, as described above; and, be it further
- RESOLVED, that the Commission Secretary is hereby directed to request Board of Supervisors' approval of said 2011 Lease with China Southern pursuant to City Charter Section 9.118.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

NOV 17 2015


Secretary