

1 [Ground Lease Modification - United Airlines, Inc. - Exchange of Certain Land - Plot 6
2 Reconfiguration Project - Decrease Annual Rent to \$2,243,041.43]

3 **Resolution approving Modification No. 2 to Ground Lease L00-0464, between the City**
4 **and County of San Francisco, acting by and through its Airport Commission, and**
5 **United Airlines, Inc., for the exchange of certain land at Plot 6 at San Francisco**
6 **International Airport in support of the Plot 6 Reconfiguration Project, decreasing the**
7 **annual rent payable by United by \$95,297.07 to an approximate total of \$2,243,041.43 to**
8 **commence following Board approval and full execution of Modification No. 2, and with**
9 **no changes to the term expiring on June 30, 2021.**

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11 WHEREAS, On December 19, 2000, by Resolution No. 00-0464, the Airport
12 Commission (the "Commission") approved Ground Lease L00-0464 (the "Lease") with United
13 Airlines, Inc. ("United") for a portion of Plot 6 ("United Plot 6 Premises") at San Francisco
14 International Airport (the "Airport"); and

15 WHEREAS, On June 1, 2001, by Resolution No. 403-01, the Board of Supervisors
16 approved the Lease; and

17 WHEREAS, On June 7, 2011, by Resolution No. 11-0135, the Commission approved
18 Modification No. 1 to the Lease, which adjusted the annual rent payable by United and
19 extended the term of the Lease to June 30, 2021 ("Modification No. 1"); and

20 WHEREAS, On January 10, 2012, by Resolution No. 1-12, the Board of Supervisors
21 approved Modification No. 1; and

22 WHEREAS, As part of the Airport's ongoing efforts to maximize the efficient use of
23 ramp space in and around the terminals, the Airport is developing additional aircraft parking
24 and making certain other related improvements and alterations affecting Plot 6 (the "Plot 6
25 Project"), including portions affecting certain areas of United Plot 6 Premises; and

1 WHEREAS, Completion of the Plot 6 Project requires the following adjustments to
2 United Plot 6 Premises, which is set forth in Modification No. 2 to the Lease: (i) City will
3 recapture certain portions of United Plot 6 Premises designated as “City Recapture Parcels,”
4 consisting of approximately 1.79 acres, and (ii) in exchange, City will convey to United those
5 certain portions of land designated as the “Additional United Lease Parcels,” consisting of
6 approximately 1.28 acres (“Modification No. 2”); and

7 WHEREAS, Modification No. 2 results in a net decrease of United Plot 6 Premises by
8 approximately 0.51 acres and a commensurate decrease in the annual rent payable by United
9 by \$95,297.07, to approximately \$2,243,041.43; and

10 WHEREAS, On December 3, 2019, by Resolution No. 19-0303, the Commission
11 approved Modification No. 2; and

12 WHEREAS, A copy of Modification No. 2 is on file with the Clerk of the Board of
13 Supervisors in File No. 200061, which is hereby declared to be part of this Resolution as if set
14 forth fully herein; now, therefore, be it

15 RESOLVED, That the Board of Supervisors hereby approves Modification No. 2, to be
16 effective on the latest date when (i) the Commission and the Board of Supervisors shall have
17 approved Modification No. 2, and (ii) the City and United have executed Modification No. 2;
18 and, be it

19 FURTHER RESOLVED, That within thirty (30) days of Modification No. 2 being fully
20 executed by all parties, the Commission shall provide a copy of the final Modification No. 2 to
21 the Clerk of the Board for inclusion into the official file.

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