

1 [Lease Amendments - Airport Concessions]

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**Resolution approving Amendment No. 2 to Boarding Area E Candy Kiosk Lease No. 08-0016 with Pacific Gateway Concessions, LLC; Terminal 3 Specialty Store Lease B No. 04-0167 with Marilla Chocolate Company; Airport Spa Lease No. 06-0242 with XpresSpa SF International, LLC; and Amendment No. 3 to Technology Stores and Accessories Lease No. 07-0108 with ILJ San Francisco, LLC, and the City and County of San Francisco, acting by and through its Airport Commission for a term of five years.**

WHEREAS, The Airport has closed Boarding Area E for approximately two and one half years for major renovations; and

WHEREAS, During this renovation, PGC, Marilla, XpresSpa and ILJ's facilities will be demolished and tenants will be responsible for building new premises; and

WHEREAS, The Airport Commission approved Resolution Nos. 12-0204, 12-0205, 12-0206, and 12-0207, which includes replacement premises in Boarding Area E, reimbursement of unamortized investments, and a new commencement date of the Five (5) year term, now, therefore, be it

RESOLVED, That the Board of Supervisors hereby approves Amendment No. 2, to Lease No. 08-0016 with PGC; Lease No. 04-0167 with Marilla; Lease No. 06-0242 with XpresSpa; and Amendment No. 3 to Lease No. 07-0108 with ILJ, as follows:

1. Replacement Premises. Original premises shall be replaced with premises of comparable size in Boarding Area E ("Replacement Premises").

- 1           2. Commencement of Five (5) Year Term. New Lease rent commencement date shall  
2           be the earlier date of (i) the Replacement Premises are open for business or (ii) the  
3           majority of gates in Boarding Area E are occupied (“Commencement Date”).  
4           3. Reimbursement of Unamortized Construction Costs.
- 5                 • PGC to be reimbursed in the amount of Sixty Two Thousand Nine Hundred  
6                 Forty Two Dollars (\$62,942)
  - 7                 • ILJ to be reimbursed in the amount of Two Hundred and Six Thousand Four  
8                 Hundred and Sixty One Dollars (\$206,461)

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10           FURTHER RESOLVED, That the Airport Director shall take all steps necessary to  
11           implement such Amendment No. 2 and 3 to the Leases, including execution of the appropriate  
12           documents.

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15           JR:cc  
16           bcc: a/c/f/DSS/J. Reeb  
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