

1 [Airline/Airport 2011 Lease and Use Agreement]

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3 **Approving six new Airline/Airport Lease and Use Agreements between the City and**
4 **County of San Francisco and various airlines, effective July 1, 2011, to allow such**
5 **Airlines to conduct domestic and international flight operations at San Francisco**
6 **International Airport.**

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8 WHEREAS, Various airlines conduct flight operations at San Francisco International
9 Airport (the "Airport") pursuant to Airline/Airport Lease and Use Agreements, or Airline
10 Operating Permits (collectively, the "Agreements"), including: Alaska Airlines, Inc. – L82 -
11 0314; Continental Airlines, Inc.-L-82-0316, Kalitta Air, LLC – Permit 3862; Nippon Cargo
12 Airlines Company, Inc. – Permit 2037; Southern Air, Inc. – Permit 3857; and US Airways, Inc.
13 – Permit 3977; (collectively, the "Airlines"); and

14 WHEREAS, The Airport Commission of the City and County of San Francisco (the
15 "City") and Airlines have negotiated a new Lease and Use Agreement to take effect
16 July 1, 2011 (the "Lease") for a term of ten (10) years to provide for the continuation of flight
17 operations by the Airlines at the Airport; and

18 WHEREAS, The above referenced Airlines desire to lease from City and City desires to
19 lease the said Airlines certain premises at the Airport, as described on Attachment A hereto;
20 and

21 WHEREAS, The City also desires to authorize the Airport Director to enter into non-
22 material modifications to the Leases, including changes to the demised premises of not-to-
23 exceed ten percent (10%) of the leased square footage, that the Commission, in consultation
24 with the City Attorney, determines are in the best interests of the Commission and necessary

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1 to effectuate the purposes of the Leases and are in compliance with all applicable laws,
2 including the City's Charter; and

3 WHEREAS, The Commission adopted Resolutions on August 17, 2010, approving the
4 new Leases between the Airlines and the City, and authorizing the Airport Director to execute
5 the new Leases, subject to the Airlines complying with Chapter 12B of the City's
6 Administrative Code and other City contracting requirements, or obtaining the appropriate
7 waivers thereto, specifically as follows: Alaska Airlines, Inc. – L10-0274 by Resolution
8 No. 10-0274; Continental – L10-0275 by Resolution 10-0275; Kalitta Air, LLC – L10-0277 by
9 Resolution No. 10-0277; Nippon Cargo Airlines Company, Inc. – L10-0278 by Resolution No.
10 10-278; Southern Air, Inc. – L10-0279 by Resolution No. 10-0279; and US Airways, Inc. –
11 L10-0276 by Resolution No. 10-276, and

12 WHEREAS, A copy of the form of the 2011 Lease and Use Agreement is on file with
13 the Clerk of the Board of Supervisors in File No. 208-10, which is hereby declared to be a part
14 of this resolution as if set forth fully herein; now, therefore, be it

15 RESOLVED, That this Board of Supervisors approves the new Leases with Alaska
16 Airlines, Inc.– L10-0274, Continental Airlines, Inc. – L10-0275; Kalitta Air, LLC – L10-0277;
17 Nippon Cargo Airlines Company, Inc. – L10-0278; Southern Air, Inc. – L10-0279 and US
18 Airways, Inc. L10-0276, subject to the Airlines complying with Chapter 12B of the City's
19 Administrative Code and other City contracting requirements, or obtaining the appropriate
20 waivers thereto; and, be it further

21 RESOLVED, That this Board of Supervisors authorizes the Airport Director to enter into
22 non-material modifications to the Leases, including changes to the demised premises of not-
23 to-exceed ten percent (10%) of the leased square footage, that the Commission, in
24 consultation with the City Attorney, determines are in the best interests of the Commission

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1 and necessary to effectuate the purposes of the Leases and are in compliance with all
2 applicable laws, including the City's Charter.

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ATTACHMENT A

Exclusive Use Space Summary (in square feet)

| | Airline | Categories of Rent | | | | |
|---|---------------------------------------|--------------------|--------|---------|--------|-------|
| | | Cat I | Cat II | Cat III | Cat IV | Cat V |
| 1 | Alaska Airlines, Inc. | 412 | 5,660 | 878 | 4,905 | - |
| 2 | Continental Airlines, Inc. | 921 | 12,500 | 11,139 | 7,543 | 4,949 |
| 3 | U.S. Airways, Inc. | 755 | 7,288 | 4,121 | 5,728 | 7,178 |
| 4 | Kalitta Air, LLC | - | - | - | - | - |
| 5 | Nippon Cargo Airlines Company Limited | - | - | - | - | - |
| 6 | Southern Air, Inc. | - | - | - | - | - |

Joint Use Space (in square feet)

| Joint Use Space | Categories of Rent | | | | |
|--------------------------------------|--------------------|---------|---------|---------|-------|
| | Cat I | Cat II | Cat III | Cat IV | Cat V |
| <i>International Terminal</i> | | | | | |
| Total = 631,987 square feet | 138,367 | 214,307 | 12,025 | 265,400 | 1,888 |
| <i>Terminal 1</i> | | | | | |
| Total = 1,007 square feet | - | 216 | - | 791 | - |