

1 [Lease Amendment No. 3 - World Duty Free Group North America, LLP - Terminal 2  
2 Newsstands, Coffee and Specialty Stores - Term Extension]

3 **Resolution approving Amendment No. 3 to the Terminal 2 Newsstands, Coffee and**  
4 **Specialty Stores Lease No. 10-0232, between World Duty Free Group North America,**  
5 **LLP, as tenant, and the City and County of San Francisco, acting by and through its**  
6 **Airport Commission, for an extension of the term for no later than June 30, 2023,**  
7 **with a condition that the Airport Director, at his sole and absolute discretion, may**  
8 **terminate earlier by providing six months' advance written notice, with no change to**  
9 **the current minimum annual guarantee, subject to adjustment in accordance with the**  
10 **terms and conditions of the Lease, effective upon approval by the Board of**  
11 **Supervisors.**

12  
13 WHEREAS, On July 6, 2010, by Resolution No. 10-0232, the Airport Commission  
14 (Commission) awarded the Terminal 2 Newsstands, Coffee and Specialty Stores Lease  
15 No. 10-0232 (Lease) to Host International Inc. (Original Tenant) for five facilities located in  
16 Terminal 2 of the San Francisco International Airport (Airport); and

17 WHEREAS, On September 14, 2010, by Resolution No. 417-10, the Board of  
18 Supervisors approved the Lease; and

19 WHEREAS, On December 6, 2011, by Resolution No. 11-0296, the Commission  
20 approved Amendment No. 1 to the Lease, modifying certain defined terms Section 4 of the  
21 Lease; and

22 WHEREAS, On December 8, 2015, by Resolution No. 489-15, the Board of  
23 Supervisors approved Amendment No. 1 to the Lease; and

1           WHEREAS, On November 20, 2012, by Resolution No. 12-0263A, the Commission  
2 approved the assignment of the Lease by Original Tenant to World Duty Free Group North  
3 America, LLP; and

4           WHEREAS, Staff has determined that, due to the COVID-19 pandemic and the  
5 resulting severe decline in enplanements and concession traffic, commencing a new Request  
6 for Proposals process for this Lease would not be prudent because there would not be  
7 sufficient interest to conduct a strong competitive process; and

8           WHEREAS, On December 15, 2020, by Resolution No. 20-0252, the Commission  
9 approved Amendment No. 3 to the Lease to extend the term of the Lease to maintain  
10 concession operations, preserve customer service, and maintain revenue; and

11           WHEREAS, On January 5, 2021, by Ordinance No. 5-21, the Board of Supervisors  
12 approved the COVID-19 Emergency Relief Program for Airport Concession Operations, which  
13 will be set forth in Amendment No. 2 to the Lease; now therefore, be it

14           RESOLVED, That this Board of Supervisors approves Amendment No. 3 to the  
15 Terminal 2 Newsstands, Coffee and Specialty Stores Lease No. 10-0232 with World Duty  
16 Free Group North America, LLP to extend the term of the Lease to no later than June 30,  
17 2023, with a condition that the Airport Director, at his sole and absolute discretion, may  
18 terminate earlier by providing six months' advance written notice, a copy of which is on file  
19 with the Clerk of the Board of Supervisors in File No. 210342; and, be it

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

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