

1 [Lease Amendment - Smarte Carte, Inc - Airport Luggage Cart and Operating - Charge for  
2 Luggage Carts in the Federal Inspection Service Area]

3 **Resolution approving Amendment No. 2 to the Airport Luggage Cart Lease and**  
4 **Operating Agreement No. 19-0069 between Smarte Carte, Inc., as tenant, and the City**  
5 **and County of San Francisco, acting by and through its Airport Commission, to**  
6 **change the luggage cart service in the Federal Inspection Service (FIS) area from a**  
7 **free service to a paid service, give the Airport Director authorization to reinstate the**  
8 **provision of free carts in the FIS and resume payment of the Annual Service Fee, at**  
9 **the Airport Director's discretion, and exercise the one three-year option for a total**  
10 **term of January 1, 2020, through December 31, 2025, to commence following Board**  
11 **approval.**

12  
13 WHEREAS, On April 2, 2019, by Resolution No. 19-0069, the Airport Commission  
14 (Commission) awarded the Airport Luggage Cart Lease and Operating Agreement  
15 No. 19-0069 (the Lease) to Smarte Carte, Inc. (Tenant) to provide luggage carts service in  
16 both Domestic and International Terminals of the San Francisco International Airport (the  
17 Airport); and

18 WHEREAS, On September 24, 2019, by Resolution No. 409-19, the Board of  
19 Supervisors approved the Lease; and

20 WHEREAS, On October 6, 2020, by Resolution No. 20-0180, the Commission  
21 approved the COVID-19 Emergency Relief Program for Airport Concession Operators, which  
22 was set forth in Amendment No. 1 to the Lease; and

23 WHEREAS, On January 5, 2021, by Ordinance No. 5-21, the Board of Supervisors  
24 approved the COVID-19 Emergency Relief Program for Airport Concession Operations; and

1           WHEREAS, Because of the severe impact of the COVID-19 outbreak on Airport  
2 operating revenues and the reduction in travel, and in order to reduce spending and generate  
3 additional revenues for the Airport, Staff recommends changing the luggage cart service in the  
4 Federal Inspection Service (FIS) area from a free service to a paid service; and

5           WHEREAS, On March 16, 2021, by Resolution No. 21-0089, the Commission  
6 approved Amendment No. 2 to the Lease which provides for (i) the exercise of the one 3-year  
7 option, (ii) a fee based structure for the provision of luggage carts in the FIS area and the  
8 termination of the Airport's payment of the Annual Service Fee to Tenant, and (iii) gives the  
9 Airport the right, acting through the Airport Director in his discretion, to reinstate the provision  
10 of free carts in the FIS area and resume paying the Annual Service Fee to Tenant if business  
11 conditions merit such a change; now, therefore, be it

12           RESOLVED, That this Board of Supervisors approves Amendment No. 2 to the Airport  
13 Luggage Cart Lease and Operating Agreement No. 19-0069 with Smarte Carte, Inc., a copy  
14 of which is on file with the Clerk of the Board of Supervisors in File No. 210372; and, be it

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

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# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails Resolution

**File Number:** 210372

**Date Passed:** May 11, 2021

Resolution approving Amendment No. 2 to the Airport Luggage Cart Lease and Operating Agreement No. 19-0069 between Smarte Carte, Inc., as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, to change the luggage cart service in the Federal Inspection Service (FIS) area from a free service to a paid service, give the Airport Director authorization to reinstate the provision of free carts in the FIS and resume payment of the Annual Service Fee, at the Airport Director's discretion, and exercise the one three-year option for a total term of January 1, 2020, through December 31, 2025, to commence following Board approval.

May 05, 2021 Budget and Finance Committee - RECOMMENDED

May 11, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210372

I hereby certify that the foregoing  
Resolution was **ADOPTED** on 5/11/2021 by  
the Board of Supervisors of the City and  
County of San Francisco.

Angela Calvillo  
Clerk of the Board

London N. Breed  
Mayor

5/21/21

Date Approved