

1 [Airline/Airport Lease and Use Agreement Modifications and Lease and Operating Agreement
2 Modifications]

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5 **Resolution approving modifications to the terms of two Airline/Airport Lease and Use**
6 **Agreements between the City and County of San Francisco and Alaska Airlines, Inc. and**
7 **Continental Airlines, Inc. to allow such Airlines to modify the rental of Terminal Space.**

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9 WHEREAS, Alaska Airlines, Inc. and Continental Airlines, Inc. conduct flight operations at San
10 Francisco International Airport pursuant to Airline/Airport Lease and Use Agreements which terminate
11 on June 30, 2011, including: Alaska Airlines, Inc. – L82-0314; Continental Airlines-L82-0316,
(collectively, the “Lease and Use Airlines”) and

12 WHEREAS, the Airport Commission of the City and County of San Francisco (the “City”), the
13 Lease and Use Airlines (collectively, the “Airlines”) have negotiated a new Lease and Use Agreement
14 to take effect July 1, 2011 (the “Lease”) for a term of ten (10) years; and

15 WHEREAS, conditioned upon execution of the Lease, the City and Airlines now desire to
16 amend the terms of the Lease and Use Agreements to reflect a reduction of rental of terminal space
17 for Fiscal Year 2010/2011 (collectively, the “Modifications”), the last year of said Agreements, as
18 described on Attachment A hereto; and

19 WHEREAS, the City also desires to authorize the Airport Director to enter into non-material
20 modifications to the Agreements, including changes to the demised premises of not- to-exceed ten
21 percent (10%) of the leased square footage, that the City, in consultation with the City Attorney,
22 determines are in the best interests of the Commission and necessary to effectuate the purposes of
23 the Agreements and are in compliance with all applicable laws, including the City’s Charter; and

24 WHEREAS, the Commission approved the following Modifications to the respective Lease and
25 Use Agreements on August 17, 2010, by adoption of the Resolutions as follows: Alaska Airlines, Inc.

1 – L82-00314, Modification No. 7 by Resolution No. 10-0280; Continental Airlines, Inc. – L82-0316,
 2 Modification No. 5 by Resolution No. 10-0281; and therefore be it

3 RESOLVED, that this Board of Supervisors approves Modifications to the Lease and Use
 4 Agreements with Alaska Airlines, Inc. – L82-0314, Modification No. 7 by Resolution No. 10-0280;
 5 Continental Airlines, Inc. – L82-0316, Modification No. 5 by Resolution No. 10-0281; subject to Human
 6 Rights Commission’s determination that said Airlines are in compliance with or exempt from the
 7 requirements of Chapter 12B of the City’s Administrative Code; and, be it further

8 RESOLVED, that this Board of Supervisors authorizes the Airport Director to enter into non-
 9 material modifications to the Agreements, including changes to the demised premises of not-to-exceed
 10 ten percent (10%) of the leased square footage, that the Commission, in consultation with the City
 11 Attorney, determines are in the best interests of the Commission and necessary to effectuate the
 12 purposes of the Agreements and are in compliance with all applicable laws, including the City’s
 13 Charter.

14 **Airline/Airport Lease & Use Agreement Modifications**

15 **Table 1 - Exclusive Use Space (in square feet)**

	Airline	Lease #	Mod. #	Changes in Categories of Rent				
				Cat I	Cat II	Cat III	Cat IV	Cat V
1	Alaska Airlines	L82 - 0314	7	4,776	5,660	878	4,905	-
2	Continental Airlines	L82 - 0316	5	8,675	12,500	11,139	7,543	4,949

19 **Table 2 - 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	-