

# AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 3 NO. 16-0014 AT SAN FRANCISCO INTERNATIONAL AIRPORT

THIS AMENDMENT NO. 3 TO INTERNATIONAL TERMINAL FOOD AND BEVERAGE CONCESSION LEASE 3, LEASE NO. 16-0014 AT THE SAN FRANCISCO INTERNATIONAL AIRPORT (this "Amendment"), dated as of the Effective Date (as defined below), is entered by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through its AIRPORT COMMISSION ("City"), as landlord, and Tastes On The Fly SFO International, LLC ("Tenant"), as tenant

#### RECITALS

A. On January 19, 2016, by Resolution No. 16-0014, the Airport Commission (the "Commission") awarded International Terminal Food and Beverage Concession Lease No. 16-0014 ("Lease") to Tastes on the Fly San Francisco, LLC ("Original Tenant"). On July 29, 2016, by Resolution No. 296-16, the Board of Supervisors approved the Lease.

B. On August 23, 2016, by Resolution No. 16-0229, the Commission approved the assignment of Lease from Original Tenant to Tenant.

C. On December 3, 2019, by Resolution No. 19-0312, the Commission approved Amendment No. 1 to the Lease. On October 16, 2020, by Resolution No. 458-20, the Board of Supervisors approved Amendment No. 1 to the Lease.

D. On October 6, 2020, by Resolution No. 20-0180, the Commission adopted the COVID-19 Emergency Rent Relief Program for Airport Concessions Tenants, which was memorialized in Amendment No. 2 to the Lease.

E. Pursuant to the Lease, Tenant operates three food and beverage locations at San Francisco International Airport ("Airport") in the International Terminal: (i) one pre-security location in Boarding Area A of the International Terminal, currently operated as "Samovar Tea" in Space A.I.3.035 (the "Samovar Tea Facility"); (ii) one post-security location in Boarding Area G of the International Terminal, currently operated as a "Napa Farms" in Space G.3.008 (the "Napa Farms Facility") and (iii) one post-security location in Boarding Area G of the International Terminal, currently operated as a "Mustards Grill" in Space G.3.009 (the "Mustards Grill Facility") (as further described in the Lease, collectively, the "Premises").

F. City has requested to recapture the portion of the Premises occupied by the Samovar Tea Facility in order to relocate to such space a separate future concession operated as an employee cafe, and Tenant has agreed to such recapture, on the terms and conditions set forth in this Amendment. Tenant is currently not in possession of the Samovar Tea Facility, as it is being used as by City and a separate permittee for COVID-19 testing services at no charge to City.

G. All capitalized terms not otherwise defined herein shall have the same meaning given to them in the Lease.

NOW, THEREFORE, in consideration of the foregoing and for valuable consideration the sufficiency of which is hereby acknowledged, City and Tenant hereby agree to amend the Lease as follows:

# AGREEMENT

1. <u>Recitals.</u> The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.

2. <u>Effective Date</u>. This Amendment No. 3 shall be deemed effective on the date of execution by the Airport following full City approval: \_\_\_\_\_\_ (to be inserted by City only)

3. <u>Premises.</u> Upon the Effective Date, the portion of the Premises designated as the "Samovar Tea Facility" and made up of 5,413 square feet shall be deemed surrendered by Tenant and recaptured by City, and removed from the Premises demised under the Lease. Exhibit A of the Lease is hereby deleted and replaced with the Exhibit A attached to this Amendment. For the avoidance of doubt, the portions of the Premises designated as the Napa Farms Facility and the Mustards Grill Facility remain unaffected by this Amendment.

4. <u>Minimum Annual Guarantee.</u> The Minimum Annual Guarantee (the "MAG") is currently at \$1,080,461.50. The current amount of the MAG shall remain unmodified by this Amendment, and any future adjustments to the MAG shall be made in accordance with the terms of the Lease, notwithstanding the recapture of the Samovar Tea Facility.

5. <u>Annual Promotional Charge.</u> As of the Effective Date, the Promotional Charge shall be decreased to \$7,157.00 per year to reflect the recapture of the Samovar Tea Facility.

6. <u>Entire Agreement</u>. This Amendment contains all of the representations and the entire agreement between the parties with respect to the subject matter of this Amendment. Any prior correspondence, memoranda, agreements, warranties, or written or oral representations relating to the subject matter of the Amendment are superseded in their entirety by this Amendment. No prior drafts of this Amendment or changes between those drafts and the executed version of this Amendment shall be introduced as evidence in any litigation or other dispute resolution proceeding by any party or other person, and no court or other body should consider such drafts in interpreting this Amendment.

7. <u>Miscellaneous</u>. This Amendment shall bind, and shall inure to the benefit of, the successors and assigns of the parties hereto. This Amendment is made for the purpose of setting forth certain rights and obligations of Tenant and the Airport, and no other person shall have any rights hereunder or by reason hereof as a third-party beneficiary of otherwise. Each party hereto shall execute, acknowledge, and deliver to each other party all documents, and shall take all actions, reasonably requested by such other party from time to time to confirm or effect the matters set forth herein, or otherwise to carry out the purposes of this Amendment. This

Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof. No provision of this Amendment that is held to be inoperative, unenforceable, or invalid shall affect the remaining provisions, and to this end all provisions hereof are hereby declared to be severable. Time is of the essence of this Amendment. This Amendment shall be governed by the laws of the State of California. Neither this Amendment nor any of the terms hereof may be amended or modified except by a written instrument signed by all the parties hereto.

8. **Full Force and Effect.** Except as specifically amended by this Amendment, the terms and conditions of the Lease shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

Tastes on the Fly SFO International, LLC TENANT: a California limited liability company

> Luke Tomes By:

Luke Torres Name:

(type or print)

FEDE7601EA7A470.

CF0 Title:

CITY: CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting by and through its Airport Commission

> Ivar C. Satero **Airport Director**

### AUTHORIZED BY AIRPORT COMMISSION

Resolution: 23-0080

Adopted: March 21, 2023

Attest:

Secretary **Airport Commission** 

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By:

Deputy City Attorney

#### EXHIBIT A PREMISES

A total of two facilities comprising approximately 7,157 square feet of space located in the International Terminal Boarding Area G at San Francisco International Airport, as described on the attached drawing, broken down as follows:

Location No./Description of Facility	Approx. Square Footage
Post-Security G.3.008 / Napa Farms Market	3,244
Post-Security G.3.009 / Mustards Grill	3,913

