

1 [Lease Agreement - Southwest Airlines, Co. - Airport Cargo Building 606 - \$1,313,761]

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3 **Resolution approving and authorizing the execution of a Lease Agreement for Cargo**
4 **Building 606, and Related Areas on Plot 9B, No. L13-0257, between Southwest Airlines,**
5 **Co., and the City and County of San Francisco, acting by and through its Airport**
6 **Commission, with a minimum rent amount of \$1,313,761 for a term of five years, to**
7 **commence upon Board approval.**

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9 WHEREAS, Southwest Airlines Co. ("Southwest") is a Signatory Airline pursuant to 2011
10 Lease and Use Agreement No. L10-0095; and

11 WHEREAS, Southwest currently conducts its cargo handling operations at Airport Building
12 No. 606, on Plot 9B, pursuant to month-to-month Permit No. P4295; and

13 WHEREAS, Southwest desires a longer term commitment with the Airport for 11,906
14 square feet of cargo warehouse and office space in Airport Building 606 (the "Airport Building")
15 and 2,640 square feet of ramp space on Plot 9B ("Ramp Space") by entering into a five-year lease
16 (the "Lease"); and

17 WHEREAS, The initial rent totals \$262,752.20 based on Cargo Facilities Warehouse
18 Rate II of \$21.70 per square foot per year for the Airport Building, as adjusted by Airport Rates
19 and Charges, and \$72,000 per acre per year for the Ramp Space, subject to annual Consumer
20 Price Index adjustments; and

21 WHEREAS, By Resolution No. 13-0257, adopted December 3, 2013, the Airport
22 Commission approved the Lease, a copy of which is on file with the Clerk of the Board of
23 Supervisors in File No. 140089, which is hereby declared to be a part of this resolution as if set
24 forth fully herein; now, therefore, be it

1 RESOLVED, That this Board of Supervisors hereby approves the Lease between
2 Southwest Airlines Co., and the City and County of San Francisco, acting by and through its
3 Airport Commission, for a portion of Airport Building No. 606, and adjacent ramp space on
4 Plot 9B, with a minimum rent amount of \$1,313,761 over the five-year term; and, be it

5 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed
6 by all parties, the Airport Commission shall provide a copy of the final contract to the Clerk of
7 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: 140089

Date Passed: March 11, 2014

Resolution approving and authorizing the execution of a Lease Agreement for Cargo Building 606, and Related Areas on Plot 9B, No. L13-0257, between Southwest Airlines, Co., and the City and County of San Francisco, acting by and through its Airport Commission, with a minimum rent amount of \$1,313,761 for a term of five years, to commence upon Board approval.

March 05, 2014 Budget and Finance Sub-Committee - RECOMMENDED

March 11, 2014 Board of Supervisors - ADOPTED

Ayes: 9 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar and Tang

Excused: 2 - Wiener and Yee

File No. 140089

I hereby certify that the foregoing
Resolution was ADOPTED on 3/11/2014 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved