

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 14-0142

APPROVAL OF AMENDMENT NO. 1 TO THE RENTAL CAR CENTER CAFÉ LEASE NO. 12-0221, A SMALL BUSINESS SET-ASIDE, FOR ADDITIONAL PREMISES DUE TO THE RELOCATION OF HERTZ RENT-A-CAR TO LEVEL 1 OF THE RENTAL CAR CENTER, AND TO SEEK A WAIVER FROM THE COMPETITIVE SELECTION PROCESS UNDER ADMINISTRATIVE CODE 2A.173

WHEREAS, pursuant to Resolution No. 12-0221 adopted October 9, 2012, the Airport Commission (“Commission”) awarded the Rental Car Center Café Lease, a Small Business Set-Aside (“Lease”) to Marina’s Café, with a base term of five (5) years, which commenced on August 5, 2013, with one option to extend the term by two (2) years (“Option Term”); and

WHEREAS, due to industry and passenger growth, the Airport has agreed to relocate Hertz Rent-A-Car (“Hertz”) to Level 1 of the Rental Car Center; and

WHEREAS, Hertz currently holds 35% of the market share and this move will likely impact Marina’s café financially; and

WHEREAS, to recoup its initial investment, balance the financial hardship likely sustained during the proposed move, and allow Marina’s Café’s continued successful tenancy, staff proposes allowing Marina Café an additional location on Level 1 of the Rental Car Center once Hertz’s renovations are completed, pursuant to Amendment No. 1 to the Lease (“Amendment”); and

WHEREAS, Amendment No. 1 will be effective on the date (i) the additional location is open for business, or (ii) the Hertz’s counters become operational, whichever is earlier; and

WHEREAS, the Airport is required to competitively award concession leases, and the Airport could commence a competitive process to award a lease for that location; and

WHEREAS, for the reasons stated in the resolution and the memorandum on file with the Airport Commission Secretary, the Airport believes forgoing the competitive process to add Level 1 to the premises is justified; and

WHEREAS, to effectuate the addition of the new location on Level 1 under the proposed lease amendment, the Airport seeks a waiver from the competitive leasing requirement under Administrative Code Section 2A.173; and

WHEREAS, staff and Marina’s Café have negotiated the terms and conditions for Amendment No. 1 to the Lease with Tenant; now, therefore, be it

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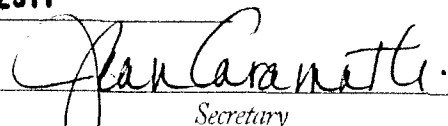
RESOLVED, that the Airport Commission hereby approves Amendment No. 1 to the Rental Car Center Café Lease No. 12-0221, a Small Business Set-Aside, with Marina's Café on the terms and conditions specified on accompanying Director's Memorandum, and to seek a waiver from the competitive selection requirement under Administrative Code Section 2A.173.

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I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

JUL 01 2014



Secretary