

**AMENDMENT NO. 1 TO
RENTAL CAR CENTER CAFÉ LEASE NO. 12-0221, A SMALL BUSINESS SET ASIDE
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

THIS AMENDMENT NO. 1 TO LEASE AGREEMENT FOR THE RENTAL CAR CENTER CAFÉ, A SMALL BUSINESS SET ASIDE, LEASE NO. 12-0221 ("Amendment No. 1"), dated as of June 17, 2014 for reference purposes only, is entered by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), acting by and through its SAN FRANCISCO AIRPORT COMMISSION ("Airport"), as landlord, and MARINA'S CAFÉ, as tenant ("Tenant").

RECITALS

A. On January 17, 2012, the Airport Commission adopted Resolution No. 12-0010 to issue a Request for Proposals ("RFP") for competitive Bids on the Rental Car Center Café Lease.

B. On October 9, 2012, the Airport Commission adopted Resolution No. 12-0221, awarding the Lease to Tenant, and the Airport and Tenant entered into Lease No. 12-0221, dated as of March 25, 2013, for a food and beverage facility located on Level 4 of the Rental Car Center (the "Original Premises") to serve customers who use the on-Airport rental car companies.

C. Tenant commenced operation in August 2013.

D. At the time of the RFP issuance and Lease award, the Airport identified the Original Premises as located on Level 4 of the Rental Car Center; subsequently, the Airport has experienced significant rental car industry and passenger growth that has led to congestion on Level 4 of the Rental Car Center.

E. The growth and congestion on Level 4 of the Rental Car Center was confirmed by a recent analysis drafted by the Airport's consultant Leigh Fisher titled, "Analysis of Near and Long Term Rental Car and Parking Facility Expansion Options". The report finds that the existing Level 4 space is inadequate for current demand and that peak period congestion is expected to increase.

F. To alleviate congestion, allow ample space for queuing to the counters, and provide seating for waiting customs on Level 4, Hertz Rent-A-Car will relocate its full operations to Level 1 of the Rental Car Center, with the other on-Airport rental car operators approved to operate satellite counters also on Level 1.

G. As a result of the relocation of rental car operations to Level 1, the Airport wants to ensure the public has food and beverage options on Level 1, and believes that Tenant is best situated to provide those services to the travelling public.

H. The Airport and Tenant have agreed to modify the Original Premises by adding a second location on Level 1 comprising 207 sq. ft., as further described below.

I. On _____, the Board of Supervisors waived the competitive selection process requirements for the second location under Administrative Code Section 2A.173, by Ordinance No. _____, under File No. _____ (the "Ordinance").

J. The Minimum Investment Amount and Design for the Level 1 location will be at the Airport Director's discretion. The Airport will bring utilities to location and install cabinetry to open second location in conjunction with the renovation of the first floor construction relocation completion.

K. 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. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference, as if fully set forth herein.
2. Effective Date. The effective date of this Amendment to the Lease contained shall be the date on which the Ordinance becomes effective.
3. Premises. Section 1, Exhibit A is hereby deleted in its entirety and replaced with the following:

"Exhibit A - Premises. A total of two (2) facilities in the Rental Car Center, comprising approximately 442 square feet, broken down as follows:

 - Space A – Approximately 235 square feet, located on level 4
 - Space B – Approximately 207 square feet, located on level 1."
4. Minimum Annual Guarantee. Section 4 The Minimum Annual Guarantee shall be increased to reflect the additional Premises on the first floor of the Rental Car Center.
5. Promotional Charge. Section 11.2 The Promotional Charge shall be increased to \$442 to reflect the additional Premises on the first floor of the Rental Car Center.
6. Entire Agreement. This Amendment No. 1 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 No. 1 are superseded in their entirety by this Amendment No. 1. No prior drafts of this Amendment No. 1 or changes between those drafts and the executed version of this Amendment No. 1 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 No. 1.

7. Miscellaneous. This Amendment No. 1 shall bind, and shall inure to the benefit of, the successors and assigns of the parties hereto. This Amendment No. 1 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 No. 1. This Amendment No. 1 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 No. 1 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 No. 1. This Amendment No. 1 shall be governed by the laws of the State of California. Neither this Amendment No. 1 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 herein, the terms and conditions of the Lease shall remain in full force and effect.

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IN WITNESS WHEREOF, the Airport and the Tenant execute this Amendment No. 1 to the Lease as of the last date set forth below.

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

John L. Martin *cf* *cl*
Airport Director

TENANT: Marina's Cafe

By: _____
Irma Guadalupe Rodriguez
Name: Irma Guadalupe Rodriguez
(type or print)
Title: Owner

AUTHORIZED BY AIRPORT
COMMISSION

Resolution No. 14-1042
Adopted: July 1, 2014

Attest: _____
Secretary
Airport Commission

APPROVED AS TO FORM:
DENNIS J. HERRERA,
City Attorney

By: _____
Dennis J. Herrera
Deputy City Attorney

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