

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 16-0033

**APPROVAL OF AMENDMENT NO. 1 TO TERMINAL 1 BOARDING AREA C
RETAIL LEASE NO. 09-0093 WITH HUDSON NEWS COMPANY**

WHEREAS, pursuant to Resolution No. 09-0093, adopted on May 5, 2009, the Commission awarded Terminal 1 Boarding Area C Retail Lease ("Lease") to Hudson News Company ("Hudson") for three locations in Terminal 1, Boarding Area C; and

WHEREAS, the construction of the Delta Club resulted in the closure of the Gallerie leasehold space on December 31, 2013; and

WHEREAS, Airport staff and Hudson have agreed to removal of the Gallerie leasehold space from the Lease in order to accommodate the Airport's desire to better serve its guests with additional restrooms in Boarding Area C; and

WHEREAS, the removal of the Gallerie leasehold space results in a 34% reduction of the square footage of the leased premises; and

WHEREAS, the Airport has agreed to reimburse Hudson for unamortized construction costs associated with the Gallerie space in the amount of \$173,022.24; now, therefore, be it


RESOLVED, that this Commission hereby approves Amendment No. 1 to Terminal 1 Boarding Area C Retail Lease No. 09-0093, which (1) removes the Gallerie leasehold space from the Lease, (2) reduces the Minimum Annual Guarantee to \$1,032,973.20, and the Annual Promotional Charge to \$2,506.00, both in proportion to the net reduction in square footage of the Premises, and (3) reimburses Hudson in the amount of \$173,022.24 for unamortized construction costs; and, be it further

RESOLVED, that this Commission hereby directs the Commission Secretary to forward Amendment No. 1 to the Board of Supervisors for approval pursuant to Section 9.118 of the Charter of the City and County of San Francisco.

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

 **JAN 19 2016**

at its meeting of _____



Secretary