

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 17-0317

APPROVAL OF AMENDMENT NO. 1 TO THE DOMESTIC TERMINAL FOOD AND BEVERAGE PROGRAM LEASE NO. 03-0203 WITH D-LEW ENTERPRISES, LLC

WHEREAS, on September 29, 2003, by Resolution No. 03-0203, the Commission awarded the Domestic Terminal Food and Beverage Program Lease ("Lease") to D-Lew Enterprises, LLC; and

WHEREAS, on May 22, 2009, by Resolution No. 09-0118, the Commission approved the early exercise of the sole option to extend the term of the Lease, thereby extending the term to December 14, 2016; and

WHEREAS, the Lease comprises one facility in Terminal 3 West ("T3 West"), and the tenant is currently operating on a month-to-month holdover; and

WHEREAS, the next planned Terminal 3 renovation will include a new concessions program in T3 West and between Gates 84 and 90 as part of the T3 West expansion project, and it is anticipated that base building work will commence in this area sometime between December 2018 and December 2020; and

WHEREAS, given the impending T3 West project, commencing a competitive process to select new concessionaires is not practical, as there is not adequate time to amortize capital investment in a new build-out; and

WHEREAS, extending the Lease for a limited period without interruption prior to the commencement of the T3 West project is necessary to preserve customer service and maintain revenue; now, therefore, be it

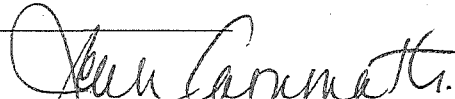
RESOLVED, that this Commission hereby approves Amendment No. 1 to the Domestic Terminal Food and Beverage Program Lease No. 03-0203 with D-Lew Enterprises, LLC, extending the term to December 31, 2020, with a condition that the Airport Director, at his sole and absolute discretion, may terminate earlier by providing six months' advance written notice; and, be it further

RESOLVED, that this Commission hereby directs the Commission Secretary to seek approval of Lease Amendment No. 1 from the Board of Supervisors pursuant to Section 9.1118 of the Charter of the City and County of San Francisco.

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

DEC 19 2017

at its meeting of _____


Secretary