

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 19-0213

**APPROVAL OF AMENDMENT NO. 1 TO THE INTERNATIONAL TERMINAL NEWSSTAND AND SPECIALTY RETAIL CONCESSION LEASE 2 WITH DFS GROUP, LP DBA DFS WATCHES**

WHEREAS, on September 5, 2017, by Resolution No. 17-0209, the Airport Commission (Commission) awarded the International Terminal Newsstand and Specialty Retail Concession Lease 2 (Lease) to DFS Group, LP (Tenant); and

WHEREAS, the Lease has a term of seven years with two 1-year options, and Staff has determined that the development costs exceeded supportable underwriting standards related to sales projections, rent structure and the term of the Lease; and

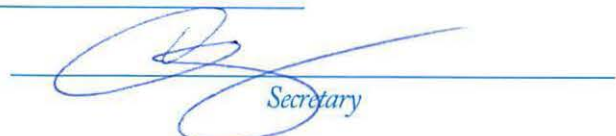
WHEREAS, Staff proposes extending the Lease by two years to improve the financial health of the Lease by allowing for a longer development cost amortization period; and

WHEREAS, Tenant has agreed to enter into an amendment so extending the term of the Lease; now, therefore, be it

RESOLVED, that this Commission hereby approves Amendment No. 1 to the Lease with DFS Group, LP, extending the base operating term of the Lease to January 31, 2028; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request approval of Amendment No. 1 to the Lease by Resolution of the Board of Supervisors pursuant to Section 9.118 of the Charter of the City & County of San Francisco.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*  
at its meeting of SEP 10 2019

  
Secretary