

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 20-0156

**AWARD OF THE TERMINAL 2 RETAIL MARKET AND HARVEY MILK TERMINAL 1  
SPECIALTY RETAIL STORES CONCESSION LEASE TO MRG SAN FRANCISCO  
TERMINAL 2, LLC**

- WHEREAS, on September 10, 2019, by Resolution No. 19-0227, the Airport Commission (Commission) authorized Staff to commence a Request for Proposals (RFP) process for the Terminal 2 Retail Market and Harvey Milk Terminal 1 Specialty Retail Stores Concession Lease (Lease); and
- WHEREAS, Staff issued the RFP and conducted an informational conference on October 3, 2019 in which 21 different interested parties were represented; and
- WHEREAS, Staff reviewed the comments and suggestions submitted by the interested parties, and received authorization from the Commission to reduce the Minimum Acceptable Offer from \$1,000,000.00 to \$900,000.00, given the reduction in square footage of the reconfigured Terminal 2 Retail Market premises under the Lease; and
- WHEREAS, on February 5, 2020, Staff received three proposals for the Lease, and determined that two of the proposals were qualified for scoring; and
- WHEREAS, a three-member panel reviewed the two qualifying proposals and determined MRG San Francisco Terminal 2, LLC to be the highest-ranking, responsive and responsible proposer; now, therefore, be it
- RESOLVED, that this Commission hereby awards the Terminal 2 Retail Market and Harvey Milk Terminal 1 Specialty Retail Stores Concession Lease to MRG San Francisco Terminal 2, LLC, under the conditions set forth in the Staff memorandum on file with the Commission Secretary, including, but not limited to, a lease term of 12 years and a Minimum Annual Guarantee of \$2,300,000.00 for the first year of the lease term; and, be it further
- RESOLVED, that the Commission Secretary is hereby directed to request approval of the Lease by Resolution of the Board of Supervisors 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  
at its meeting of* \_\_\_\_\_

SEP 15 2020

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Secretary