

AMENDED IN COMMITTEE

10/23/13

FILE NO. 130800

RESOLUTION NO. 384-13

1 [Lease - Airport Concession Domestic Food and Beverage - Burger King Corporation -
2 \$400,320]

3 **Resolution approving Amendment No.1 to the Domestic Terminal Food and Beverage**
4 **Lease No. 03-0189 between Burger King Corporation, and the City and County of San**
5 **Francisco, acting by and through its Airport Commission, for a term of ten years with a**
6 **minimum guarantee of approximately \$400,320 to commence following Board approval,**
7 **and the assignment of Lease No. 03-0189 from Burger King Corporation to Gate 74, Inc.**
8

9 WHEREAS, By Resolution No. 03-0189, adopted September 29, 2003, the Airport
10 Commission awarded the Domestic Terminal Food and Beverage Lease ("Lease") for
11 approximately 1,818 square feet to WSE Group, Inc; and

12 WHEREAS, By Resolution No. 04-0237, adopted December 7, 2004, the Airport
13 Commission approved the assignment of the Lease to SFO Equities, LLC; and

14 WHEREAS, By Resolution No. 07-0103, adopted May 1, 2007, the Airport
15 Commission approved the assignment of the Lease to Burger King Corporation; and

16 WHEREAS, By Resolution No. 09-0114, adopted on May 22, 2009, the Airport
17 Commission approved one option to extend the term for two years ("Option Term"); and

18 WHEREAS, By Resolution No. 12-0241, adopted on October 30, 2012, the Airport
19 Commission approved Amendment No. 1 to the Domestic Terminal Food and Beverage
20 Lease No.03-0189 with Burger King Corporation; and

21 WHEREAS, By Resolution 13-0067, adopted on March 19, 2013, the Airport
22 Commission approved the assignment of Domestic Terminal Food and Beverage Lease
23 No. 03-0189 from Burger King Corporation to Gate 74, Inc. and Assumption of the Lease
24 by Gate 74, Inc.; and
25

1 WHEREAS, By Resolution 13-0139, adopted on June 11, 2013, the Airport
2 Commission approved the Restated Lease Amendment No. 1 to the Domestic Terminal Food
3 and Beverage Lease No. 03-0189 identifying Gate 74, Inc. as the Tenant; now, therefore, be it

4 RESOLVED, That this Board of Supervisors approves Amendment No. 1 to Lease
5 No. 03-0189 as follows: (1) offers replacement premises of comparable size in Boarding
6 Area F East, (2) the permanent closures of both Terminal 3 locations, (3) the suspension of
7 certain fees, (4) reimbursement for unamortized construction investments, (5) a new
8 commencement date of the ten (10) year term. New Lease rent commencement date shall
9 be the earlier date of the Replacement Premises open for business, (6) including
10 adjustment of Minimum Annual Guarantee. The Minimum Annual Guarantee ("MAG") will
11 be adjusted to reflect the Replacement Premises and will commence on the new
12 Commencement Date, (7) adjustment of Tenant Infrastructure, Food Court fees and
13 Promotional fees. (8) The Minimum Investment amount for the replacement Premises shall
14 be \$350 per square foot. (9) Use and Optional Requirements. Permitted uses include the
15 Airport's Sustainable Food Guideline, and, be it

16 FURTHER RESOLVED, That the Lease Agreement and Lease Amendment No. 1 are
17 on file with the Clerk of the Board of Supervisors in File No. 130800, which is hereby declared
18 to be a part of this resolution as if set forth fully herein; and, be it

19 FURTHER RESOLVED, That within thirty (30) days of the lease amendment being fully
20 executed by all parties the Director of San Francisco International Airport shall provide the
21 final lease amendment to the Clerk of the Board for inclusion into the official file.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 130800

Date Passed: October 29, 2013

Resolution approving Amendment No.1 to the Domestic Terminal Food and Beverage Lease No. 03-0189 between Burger King Corporation, and the City and County of San Francisco, acting by and through its Airport Commission, for a term of ten years with a minimum guarantee of approximately \$400,320 to commence following Board approval, and the assignment of Lease No. 03-0189 from Burger King Corporation to Gate 74, Inc.

October 23, 2013 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

October 23, 2013 Budget and Finance Committee - RECOMMENDED AS AMENDED

October 29, 2013 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 130800

I hereby certify that the foregoing Resolution was ADOPTED on 10/29/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

11/08/13
Date Approved