



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
STAFF REPORT**

**Item No.  
9**

Meeting Date: **NOVEMBER 1, 2012**

**Subject:**

**Authorize the President/CEO to Execute Amendments To Concession Leases for Modifications to Leased Premises**

**Recommendation:**

Adopt Resolution No. 2012-0119, authorizing the President/CEO to execute amendments to concession leases for modifications to leased premises, allowing minor modifications to leased premises to be made by the President/CEO without additional Board action.

**Background/Justification:**

To date, the Board has awarded 17 leases to the following concessionaires as part of the Concession Development Program (Program) for the terms indicated below:

<b>CONCESSIONAIRE</b>	<b>TERM</b>
Host International, Inc.	10 years
Host International, Inc.	10 years
SSP America, Inc.	10 years
Mission Yogurt, Inc.	7 years
SSP America, Inc.	10 years
SSP America, Inc.	10 years
High Flying Foods San Diego Partnership	10 years
High Flying Foods San Diego Partnership	10 years
Paradies San Diego, LLC	7 years
HG-CV-Epicure-Martinez San Diego	7 years
PGC-PCI San Diego, LLC	7 years
Stellar Partners, Inc	7 years
Spa Didacus, Inc	7 years
New Zoom, Inc.	5 years
HG-CV-Epicure-Martinez San Diego	7 years
Project Horizon, Inc.	7 years
Duty Free Americas San Diego, LLC	7 years

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When the leases were executed, temporary concession locations and storage/support space had not been designated. In preparation for the December 1, 2012, transition to the new Program, these spaces have been identified for each concessionaire. As a result, it is necessary to modify the leases to reflect these changes. Authority Policy 6.01 (Leasing Policy) states, in part; "The Executive Director shall bring all proposed amendments to leases with a remaining term exceeding five years in duration to the Board for approval."

Over the term of the leases there are likely to be many minor changes in the leased premises that do not affect the lease terms or conditions. Authorizing an exception to Policy 6.01 together with an amendment to each of the leases incorporating a provision that permits the President/CEO to modify leases to reflect minor changes to the leased premises without first obtaining the Board's authorization will allow more efficient management of the many ministerial changes that are likely to occur during the term of the agreements.

**Fiscal Impact:**

There is no financial impact.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA, Cal. Pub. Res. Code §21065.
- B. This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Equal Opportunity Program:**

Not applicable.

**Prepared by:**

VERNON EVANS  
VICE PRESIDENT, FINANCE

RESOLUTION NO. 2012-0119

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AMENDMENTS TO CONCESSION LEASES FOR MODIFICATIONS TO LEASED PREMISES ALLOWING MINOR MODIFICATIONS TO LEASED PREMISES TO BE MADE BY THE PRESIDENT/CEO WITHOUT ADDITIONAL BOARD ACTION

WHEREAS, to date, the Board has awarded 17 leases to concessionaires as part of the Concession Development Program (Program); and

WHEREAS, when the leases were executed, temporary concession locations and storage/support space had not been designated; and

WHEREAS, in preparation for the December 1, 2012, transition to the new Program, these spaces have been identified for each concessionaire. As a result, it is necessary to modify the leases to reflect these changes; and

WHEREAS, Authority Policy 6.01 (Leasing Policy) states, in part, "The Executive Director shall bring all proposed amendments to leases with a remaining term exceeding five years in duration to the Board for approval"; and

WHEREAS, over the term of the leases there are likely to be many minor changes in the leased premises that do not affect the lease terms or conditions; and

WHEREAS, authorizing an exception to Policy 6.01 together with an amendment to each of the leases incorporating a provision that permits the President/CEO to modify leases to reflect minor changes to the leased premises without first obtaining the Board's authorization will allow more efficient management of the many ministerial changes that are likely to occur during the term of the agreements; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to execute amendments to Concession Leases for modifications to leased premises, allowing minor modifications to leased premises to be made by the President/CEO without additional Board action.

BE IT FURTHER RESOLVED that the Board FINDS that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; nor is it a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 1<sup>st</sup> day of November, 2012, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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