

Legislation Details (With Text)

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File created: 11/7/2017 **In control:** Airport Department

On agenda: 11/28/2017 **Final action:**

Title: Actions Related to the Agreement with ALD Development, Inc. dba The Club at SJC.

Sponsors: City Council

Indexes:

Code sections:

Attachments: 1. Memorandum, 2. Agreement - Part (a), 3. Agreement - Part (b)

Date	Ver.	Action By	Action	Result
11/28/2017	1	City Council		

Actions Related to the Agreement with ALD Development, Inc. dba The Club at SJC.

(a) Approve the Third Amendment to the Airport Concession Agreement between the City of San José (“City”) and ALD Development, Inc. dba The Club at SJC (ALD) to extend the term through January 31, 2025, add a minimum Mid-Term Refurbishment Capital Expenditure to be made by ALD of \$225,000, increase the Gross Revenue percentage fee payable to the City to 13%, retroactive to June 1, 2016, and revise the minimum annual guarantee (“MAG”) to account for impacts from the opening of the new shared use lounge in Terminal A.

(b) Approve a separate Shared Use Lounge Concession Agreement between the City and ALD to design, construct, and operate a new shared use lounge in Terminal A through January 31, 2025, with a minimum of \$2,000,000 in capital investment to be made by ALD, and a concession fee payable to the City of the greater of a MAG of \$136,600 or a percentage fee of 13% of gross revenue annually.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Airport)