

Legislation Details (With Text)

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Title: Approval to Provide Financial Relief to Non-Aeronautical Concessionaires and Rental Car Concessions at SJC.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Memorandum

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Approval to Provide Financial Relief to Non-Aeronautical Concessionaires and Rental Car Concessions at SJC.

Adopt a resolution authorizing the City Manager to negotiate and execute amendments to various Airport concession agreements to provide additional financial relief to non-aeronautical concessionaires and rental car concessions from January 1, 2021 through June 30, 2021, to address the continuing impacts of the COVID-19 pandemic. Financial relief for Airport concessionaires could include:

- (a) Suspend Minimum Annual Guaranteed (MAG) rent payments and charge only percentage rent from January 1, 2021-June 30, 2021.
- (b) Suspend, defer or modify the terms of the Annual Concession Fee Reconciliation (True Up) as a result of any negotiated adjustments to the MAG amount.
- (c) Increase the percentage rent as consideration for any further MAG suspension or negotiate flat fee rents.
- (d) Provide Airport concessionaires the ability to charge higher prices by allowing a higher percentage markup over street prices to allow for an increased pass through of costs.

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