

## Legislation Text

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**File #:** 20-463, **Version:** 1

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**Temporary Financial Relief to Non-Aeronautical Concessionaires and Amendments to Non-Aeronautical Agreements at the Norman Y. Mineta San José Airport.**

As recommended by the Rules and Open Government Committee on April 8, 2020:

Adopt a resolution authorizing the City Manager to negotiate and execute amendments to concession agreements to provide temporary financial relief to non-aeronautical concessionaires operating on Airport premises effective retroactive to March 1, 2020 through

July 31, 2021 to support Airport concession operations that have been directly impacted by Airport passenger declines as a result of the COVID-19 pandemic. Financial relief for Airport concessionaires could include:

- (a) suspension of concessionaire contributions to the Airport Marketing Fund;
- (b) suspension or modification of the effective date, timeframe and terms of increases or modifications to the Minimum Annual Guaranteed (MAG) Rent or otherwise applicable increases to concession fees;
- (c) deferral of MAG Rent or other applicable minimum rent payments, with repayment terms subject to negotiations;
- (d) waive any otherwise applicable late fees or interest related to the deferment of the MAG or other rent payment;
- (e) suspension of MAG Rent and charge only a negotiated percentage rent or negotiate a modified MAG payment;
- (f) suspend, defer or modify the Annual Concession Fee Reconciliation (True Up) as a result of any negotiated adjustments to the MAG; and (g) adjust tenant improvement construction schedules.

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

[Rules Committee referral 4/8/2020 - Item A.1.a]