

CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Airport	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office; City Manager's Budget Office	Director Approval /s/ Mukesh (Mookie) Patel
COUNCIL DISTRICT(S) Citywide			CMO Approval  10/27/25
SUBJECT: Fourth Amendment to the Lease of Airport Premises Agreement with Southwest Airlines Co. at 1239 Airport Boulevard			
RECOMMENDATION			
<p>Adopt a resolution authorizing the City Manager or her designee to negotiate and execute a Fourth Amendment to the Lease of Airport Premises Agreement between the City of San José and Southwest Airlines Co. to extend the term of the lease for five additional years, from January 1, 2026, to December 31, 2030.</p>			
BASIS FOR RECOMMENDATION			
<p>On December 1, 2008, the City entered into a two-year lease agreement with Southwest Airlines Co. for the lease of approximately 11,000 square feet of hangar and office space and 9,000 square feet of asphalt and concrete ramp space which was fully executed on April 3, 2009 at San José Mineta International Airport. Southwest Airlines Co. uses this space as a provisioning facility to store and prepare food and beverage items for use onboard Southwest Airlines flights. The first, second, and third amendments extended the lease term to December 31, 2015, December 31, 2020, and December 31, 2025, respectively.</p> <p>The City is requesting approval of a fourth amendment to further extend the lease agreement for five years to expire on December 31, 2030. If approved, this amendment will allow Southwest Airlines Co. to continue to conduct their provisioning operations in the current leased location. The lease extension will provide the City approximately \$178,402 in annual revenue or \$892,010 in revenue over the five-year term.</p>			
COMMISSION RECOMMENDATION AND INPUT			
No commission recommendation or input is associated with this action.			
COST AND FUNDING SOURCE			
There are no costs associated with this action and revenue for the lease amendment will generate an estimated \$892,010 over the five-year term.			
FOR QUESTIONS CONTACT: Matthew Kazmierczak, Division Manager, Airport Department, at (408) 392-3600 or mkazmierczak@sjc.org			