

# BOARD OF PORT COMMISSIONERS OF THE LEE COUNTY PORT AUTHORITY

1. <b>REQUESTED MOTION/PURPOSE:</b> Request Board approve a “First Amendment to Southwest Florida International Airport Food, Beverage, and Retail Concession Lease with Paradies-Shell Factory II, LLC”	5. <b>CATEGORY:</b> 4 Consent Agenda
2. <b>FUNDING SOURCE:</b> N/A	6. <b>ASMC MEETING DATE:</b> 12/19/2023
3. <b>TERM:</b> November 1, 2022, through December 31, 2035	7. <b>BoPC MEETING DATE:</b> 1/18/2024
4. <b>WHAT ACTION ACCOMPLISHES:</b> Makes certain adjustments to the 2022 concession agreement with Paradies-Shell Factory II, LLC	

## 8. AGENDA:

\_\_\_\_\_ CEREMONIAL/PUBLIC PRESENTATION  
X \_\_\_\_\_ CONSENT  
\_\_\_\_\_ ADMINISTRATIVE

## 9. REQUESTOR OF INFORMATION:

(ALL REQUESTS)

NAME Brian W. McGonagle

DIV. Administration

## 10. BACKGROUND:

On September 8, 2022, the Board approved a “Southwest Florida International Airport Food, Beverage, and Retail Concession Lease” (the “Lease”) with Paradies-Shell Factory II, LLC (“Paradies”). Since then, several desired changes to the agreement have been identified, including adjustments to the location and size of several concession units, and the addition of provisions for the potential use of temporary kiosk locations.

This proposed first amendment will make the following changes to the Lease:

- (1) existing Concession Unit D-2 (a kiosk location on Concourse D) will not be relocated as originally planned, and instead will remain in its current location as new Unit D.11;
- (2) existing Concession Unit B.7.A. (Brighton gifts, on Concourse B), which is slated to become part of future Unit B.03 and become a sit-down restaurant, will be branded as an “Air Margaritaville” instead of a “Bahama Breeze”;
- (3) new Concession Unit D.04 (on Concourse D), which was originally slated to house a “Reef” branded kiosk, will be deleted from the Lease to preserve holdroom seating space;
- (4) new Concession Unit D.08 (on Concourse D), which is slated to be a “Lego” branded kiosk, will be moved to a new location on Concourse D and slightly enlarged (from 189 sf to 212 sf);
- (5) new Concession Unit B.08 (on Concourse B), which is slated to be a “Starbucks,” will be moved to a new location on Concourse B and enlarged (from 570 sf to 900 sf);

## 11. RECOMMENDED APPROVAL

<u>DEPUTY EXEC DIRECTOR</u>	<u>COMMUNICATIONS AND MARKETING</u>	<u>OTHER</u>	<u>FINANCE</u>	<u>PORT ATTORNEY</u>	<u>EXECUTIVE DIRECTOR</u>
Brian W. McGonagle	Victoria B. Moreland	N/A	David W. Amdor	Andrea R. Fraser	Benjamin R. Siegel

## 12. SPECIAL MANAGEMENT COMMITTEE RECOMMENDATION:

APPROVED **X (5-0)**  
APPROVED as AMENDED  
DENIED  
OTHER

## 13. PORT AUTHORITY ACTION:

APPROVED  
APPROVED as AMENDED  
DENIED  
DEFERRED to  
OTHER

**Background (continued)**

(6) future Office Area MT.S1 (in baggage claim) will be deleted and replaced with the larger B.S6 area, which Paradies will be permitted to construct as its own office area;

(7) at the Authority's discretion, Paradies may be permitted to operate temporary kiosk locations immediately adjacent to new or existing Concession Units that are closed for build-out or remodeling;

(8) the allocation of payments between space rent (subject to sales tax) and privilege or concession fees (not subject to sales tax) will be adjusted; and

(9) the Authority's Executive Director or his designee is formally designated as the Authority's authorized representative to give or receive notices.

**Attachments:**

1. Contract Summary
2. Proposed First Amendment