

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	18722	Agenda Number	5.
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Meeting Date:	10/18/2012	Department:	Aviation
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Subject

Authorize the negotiation and execution of an amendment to the airport concession lease agreement with Brazos Concession Company/Salt Lick Joint Venture to extend the term, add space to the leasehold premises, require renovations, and modify other lease terms for the operation of restaurants and retail stores in the Austin-Bergstrom International Airport (ABIA) terminal.

Amount and Source of Funding

N/A Revenue Generating Lease.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Stephanie Tucker, 512-530-7507
Boards and Commission Action:	Recommended by the Austin Airport Advisory Commission on September 11, 2012.
MBE / WBE:	20% DBE Joint Venture.
Related Items:	

Additional Backup Information

Brazos Concession Company/Salt Lick Joint Venture operates several food and beverage concessions in the East Food Court area and on the land side of the terminal adjacent to the terminal entrance near American Airlines' ticket counters of the Barbara Jordan Terminal since December 1, 2010, including Nuevo Leon Restaurant, Hills Cafe Restaurant, Saxon Pub and SoCo Market. The term of the Concession lease agreement is for seven years, and expires at the end of November 2017.

Under the proposed amendment, the concessionaire will operate four additional airport concessions throughout the terminal, that will include the following restaurants: Hoover's Chicken and More, Briggo Coffee, Austin Mac Works and a retail kiosk: Tylers Sporting Goods.

Under the concession agreement, the concessionaire pays as rent, the greater of a minimum annual guarantee concession fee or a specified percentage of its gross revenue.

Airport concessions are subject to the Federal Airport Concession Disadvantage Business Enterprise (ACDBE) regulations (49 CFR Part 23), and the Federally approved City of Austin ACDBE plan. The concessionaire is a joint venture between Delaware North Company, a professional concessions company with operations in airports across the country, and Scott Roberts (Asian-American) owner of Salt Lick Barbecue.