# FIRST AMENDMENT TO NEWS, GIFT AND SPECIALTY RETAIL CONCESSION AGREEMENT

THIS AMENDMENT, made and entered into as of the 10th day of November, 2005, by and between the CITY OF KANSAS CITY, a municipal corporation of the State of Missouri hereinafter referred to as the "City", and THE PARADIES SHOPS, INC., a Georgia corporation, hereinafter referred to as the "Concessionaire."

#### WITNESSETH, that:

WHEREAS, the City is the owner of Kansas City International Airport, located in Platte County, Missouri, hereinafter referred to as the "Airport"; and

WHEREAS, the City has previously entered into a Contract dated February 1, 2002 to provide news, gift and specialty retail concession services for the general public in the passenger terminal buildings and generate income for the City; and

WHEREAS, the aviation industry has suffered a decline of passengers due to the incidents of September 11, 2001 and passenger numbers at the Airport are still less than pre-September 11<sup>th</sup> totals; and

WHEREAS, the City and Contractor desire to amend the Contract;

NOW, THEREFORE, for and in consideration of the premises, and of the mutual covenants herein contained, and the fees to be paid by the Concessionaire, it is agreed and understood by and between the City and the Concessionaire as follows.

#### Sec. 1. Sections Amended.

A. Article IV, Payments and Fees; Section 401, Concession Fee Payments. The minimum rent (second sentence) in the first paragraph of item B, Permanent Rent shall be changed from:

"Minimum Rent is defined as 85% of the prior year's total rent payment; provided however, that Minimum Rent for the first year shall be equal to \$1,910,000.00" to the following:

"Minimum Rent is defined as 85% of the prior year's total rent payment; provided however, that Minimum Rent for the first year shall be equal to \$1,719,000.00."

- Sec. 2. Sections not Amended. All other sections of the Lease shall remain in full force and effect.
- Sec. 3. Authorization. If the amount of the original Lease plus the amount of any amendments to the original Lease total over \$35,000.00, then this Amendment requires City Council or Park Board Approval.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Agreement the day and year first above written.

Approved as to form and legality:	KANSAS CITY, a municipal corporation of Missouri
Doolly Canales	Mandlall
Dorothy Campbell, Esq.	Mark VanLoh, A.A.E.
Assistant City Attorney	Director of Aviation
Date:	Date: //-/5-05
ATTEST: (SEAL)	THE PARADIES SHOPS, INC., a Georgia
(SEAL)	corporation
By: Day March	Days L
	Gregg Paradies
Title: CFO	President
Date: 11/08/05	Date: 11/08/05

### ORDINANCE NO. 051315

Authorizing a First Amendment to The Paradies Shops, Inc., news, gift and specialty retail concessions agreement at the Kansas City International Airport.

## BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of Aviation is hereby authorized to enter into a First Amendment with The Paradies Shops, Inc., a news, gift and specialty retail concession agreement at the Kansas City International Airport to decrease the minimal annual guarantee (MAG) for the initial year only. A copy of this amendment is on file in the Office of the City Clerk.

Section 2. That the revenue estimate in the following account of the KCI Airports Fund, No. 8300, is hereby reduced by the following amount:

06-8300-620000-470120

Terminal Area Concessions

\$191,000.00

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

Authanticated as Passari

IES, Mayor

Acting Director of Finance

Dorothy L. Campbell

Approved as to form and legality:

DATE PASSED NOV 10 2005