

**A RESOLUTION BY TRANSPORTATION COMMITTEE AUTHORIZING THE MAYOR TO EXECUTE A CONSENT AGREEMENT ON BEHALF OF THE CITY OF ATLANTA APPROVING THE ASSIGNMENT BY HOST INTERNATIONAL, INC. AND ITS SUBSIDIARIES AND/OR AFFILIATES (COLLECTIVELY, "HOST") OF HOST'S INTEREST, AS TENANT, IN THOSE CERTAIN LEASE AGREEMENTS WITH CONTRACT NUMBERS OF FC-6007000035, FC-6007000037, AND FC-5470, TO WDFG NORTH AMERICA, LLC, A DELAWARE LIMITED LIABILITY COMPANY ("WDFG"), IN ORDER TO CONSUMMATE A RETAIL RESTRUCTURING ("RETAIL RESTRUCTURING"); WHEREIN AUTOGRILL S.P.A. (THE PARENT COMPANY OF HOST) WILL COMBINE ALL ITS NORTH AMERICAN RETAIL BUSINESS INTO A SINGLE ENTITY OPERATING UNDER THE NAME WDFG NORTH AMERICA, LLC (D/B/A - WORLD DUTY FREE); AND FOR OTHER PURPOSES.**

**Review List:**

Jonathan Hunt	Completed	08/20/2013 2:58 PM
Louis Miller	Completed	08/20/2013 2:59 PM
Procurement	Completed	08/20/2013 4:15 PM
Adam Smith	Completed	08/20/2013 4:24 PM
Mayor's Office	Completed	08/20/2013 4:33 PM
Office of Research and Policy Analysis	Completed	08/21/2013 8:48 AM
Transportation Committee	Pending	
Atlanta City Council	Pending	
Mayor's Office	Pending	

Certified by Presiding Officer	Certified by Clerk
Mayor's Action <i>See Authentication Page Attachment</i>	

LEGISLATION HISTORY – BLUE BACK

**A RESOLUTION  
BY TRANSPORTATION COMMITTEE**

**A RESOLUTION BY TRANSPORTATION COMMITTEE AUTHORIZING THE MAYOR TO EXECUTE A CONSENT AGREEMENT ON BEHALF OF THE CITY OF ATLANTA APPROVING THE ASSIGNMENT BY HOST INTERNATIONAL, INC. AND ITS SUBSIDIARIES AND/OR AFFILIATES (COLLECTIVELY, “HOST”) OF HOST’S INTEREST, AS TENANT, IN THOSE CERTAIN LEASE AGREEMENTS WITH CONTRACT NUMBERS OF FC-6007000035, FC-6007000037, AND FC-5470, TO WDFG NORTH AMERICA, LLC, A DELAWARE LIMITED LIABILITY COMPANY (“WDFG”), IN ORDER TO CONSUMMATE A RETAIL RESTRUCTURING (“RETAIL RESTRUCTURING”); WHEREIN AUTOGRILL S.P.A. (THE PARENT COMPANY OF HOST) WILL COMBINE ALL ITS NORTH AMERICAN RETAIL BUSINESS INTO A SINGLE ENTITY OPERATING UNDER THE NAME WDFG NORTH AMERICA, LLC (D/B/A - WORLD DUTY FREE); AND FOR OTHER PURPOSES.**

WHEREAS, the City of Atlanta (“City”) owns and operates Hartsfield-Jackson Atlanta International Airport (“Airport”); and

WHEREAS, pursuant to a competitive procurement process conducted in accordance with the City’s Code of Ordinances, the City entered into three Lease Agreements with contract numbers of FC-6007000035, FC-6007000037 and FC-5470 (collectively, the “Agreements”) with Host International, Inc. (or entities that are the prime tenant under the Agreements that Host has a membership, partnership or other ownership interest therein); and

WHEREAS, Host International, Inc. (“Host”) is the wholly owned subsidiary of Autogrill, S.p.A. (“Autogrill”); and

WHEREAS, Host International, Inc. (“Host”) and Autogrill, S.p.A. (“Autogrill”) are in the process of consummating a series of transactions in connection with corporate restructuring and consolidation of Host’s and Autogrill’s North American retail business (“Retail Restructuring”) into a single entity operating under the name World Duty Free North America, LLC, a Delaware limited liability company (“WDFG”); and

WHEREAS, Host (and/or its affiliates) needs to assign its interest as tenant, member, partner or other ownership interest in tenant to WDFG in order to effectuate the transactions contemplated by the Retail Restructuring; and

WHEREAS, in accordance with the terms of the Agreements, Host has requested the City’s consent to the assignment of Host’s interest in and to the Agreements in order to consummate the transactions required to complete Retail Restructuring; and

WHEREAS, the Aviation General Manager believes it is in the best interests of the City to grant Host consent to assign the Agreements.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, that the Mayor is authorized on behalf of the City of Atlanta to consent to the assignment of those certain Lease Agreements with contract numbers of FC-6007000035, FC-6007000037 and FC-5470 (collectively, the “Agreements”) from Host International, Inc. to WDFG North America, LLC, a Delaware limited liability company (d/b/a - World Duty Free); provided Host remains jointly and severally liable for all obligations under the Agreements.

BE IT FURTHER RESOLVED that the City Attorney is directed to prepare a letter of consent and any other necessary documentation to evidence the City’s consent for execution by the Mayor.

AND FINALLY BE IT RESOLVED that said consent shall not become binding upon the City, and the City shall incur no obligation or liability until same has been signed by the Mayor, approved as to form by the City Attorney and delivered to Host.

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE L. BYRD

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 8/9/13

Anticipated Committee Meeting Date(s): 8/28/13

Anticipated Full Council Date: 9/3/13

Legislative Counsel's Signature: Jonathan Hunt

Commissioner's Signature: [Signature]

Chief Financial Officer: N/A

Chief Information Officer Signature (for IT Procurements) N/A

Chief Procurement Officer Signature: [Signature]

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONSENT AGREEMENT ON BEHALF OF THE CITY OF ATLANTA APPROVING THE ASSIGNMENT BY HOST INTERNATIONAL, INC. AND ITS SUBSIDIARIES AND/OR AFFILIATES (COLLECTIVELY, "HOST") OF HOST'S INTEREST, AS TENANT, IN THOSE CERTAIN LEASE AGREEMENTS WITH CONTRACT NUMBERS OF FC-6007000035, FC-6007000037, AND FC-5470, TO WDFG NORTH AMERICA, LLC, A DELAWARE LIMITED LIABILITY COMPANY ("WDFG"), IN ORDER TO CONSUMMATE A RETAIL RESTRUCTURING ("RETAIL RESTRUCTURING"); WHEREIN AUTOGRILL S.p.A. (THE PARENT COMPANY OF HOST) WILL COMBINE ALL ITS NORTH AMERICAN RETAIL BUSINESS INTO A SINGLE ENTITY OPERATING UNDER THE NAME WDFG NORTH AMERICA, LLC (D/B/A - WORLD DUTY FREE); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT: (if any)

Mayor's Staff Only

Received by CPO: (date)

Received by LC from CPO: (date)

Received by Mayor's Office: J.J. 8/6/13 (date)

Reviewed by: [Signature] (date)

Submitted to Council: (date)

## ***Legislative White Paper***

**Committee of Purview: Transportation**

**Caption:**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONSENT AGREEMENT ON BEHALF OF THE CITY OF ATLANTA APPROVING THE ASSIGNMENT BY HOST INTERNATIONAL, INC. AND ITS SUBSIDIARIES AND/OR AFFILIATES (COLLECTIVELY, “HOST”) OF HOST’S INTEREST, AS TENANT, IN THOSE CERTAIN LEASE AGREEMENTS WITH CONTRACT NUMBERS OF FC-6007000035, FC-6007000037, AND FC-5470, TO WDFG NORTH AMERICA, LLC, A DELAWARE LIMITED LIABILITY COMPANY (“WDFG”), IN ORDER TO CONSUMMATE A RETAIL RESTRUCTURING (“RETAIL RESTRUCTURING”); WHEREIN AUTOGRILL S.p.A. (THE PARENT COMPANY OF HOST) WILL COMBINE ALL ITS NORTH AMERICAN RETAIL BUSINESS INTO A SINGLE ENTITY OPERATING UNDER THE NAME WDFG NORTH AMERICA, LLC (D/B/A – WORLD DUTY FREE); AND FOR OTHER PURPOSES.**

**Council Meeting Date: 9/03/13**

**Legislation Title: Host International Restructuring**

**Requesting Dept.: Aviation**

**Contract Type: Professional Services**

**Source Selection: N/A**

**Bids/Proposals Due: N/A**

**Invitations Issued: N/A**

**Number of Bids/  
Proposals Received: N/A**

**Bidders/Proponents: N/A**

**Background:**

The purpose of this legislation is to grant consent to Host International, Inc. (“Host”) to consummate a series of transactions in connection with Host’s contemplated retail restructuring (“Retail Restructuring”) in which the retail business of HMSHost and World Duty Free will combine into a single division operating under the name World Duty Free North America, and Host’s (or its affiliate’s) interest as tenant (or joint venture partner of tenant) will be assigned to WDFG North America LLC, a Delaware limited liability company.

Host is a subsidiary of Autogrill S.p.A. ("Autogrill"), one of the world's largest providers of food, beverage and retail services for travelers. Autogrill is planning to combine its retail business in North America into a single division operating under the name World Duty Free Group North America. Host has sought the consent of the City of Atlanta to i) assign all of Host's (or its affiliate's) interest as tenant (or joint venture partner of tenant) to WDFG North America LLC, a Delaware limited liability company ("Assignee"), with Assignee assuming all obligations of under such leases or joint venture agreements, and (ii), transfer the ownership of Assignee to a subsidiary of Autogrill, which subsidiary will then become an independent publically traded company.

**Fund Account Center:** N/A

**Source of Funds:** N/A

**Fiscal Impact:** Positive

**Term of Contract:** N/A

**Method of Cost Recovery:** N/A

**Approvals:**

**DOF:** N/A

**DOL:** yes

**Prepared By:** Anita Williams

**Contact Number:** 404-382-2313

**Part II: Legislative White Paper:** (This portion of the Legislative Request Form will be shared with City Council members and staff)

**A. To be completed by Legislative Counsel:**

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

**B. To be completed by the department:**

**1. Please provide a summary of the purpose of this legislation**

The purpose of this legislation is to grant consent to Host International, Inc. ("Host") to consummate a series of transactions in connection with Host's contemplated retail restructuring ("Retail Restructuring") in which the retail business of Host and Autogrill, S.p.A. ("Autogrill") will combine into a single division operating under the name WDFG North America, LLC and Host's (or its affiliate's) interest as tenant (or member or partner of tenant) will be assigned to WDFG North America LLC, a Delaware limited liability company (d/b/a – World Duty Free).

**2. Please provide background information regarding this legislation.**

Host is a subsidiary of Autogrill, one of the world's largest providers of food, beverage and retail services for travelers. Autogrill is planning to combine its North America retail business into a single division operating under the name WDFG North America, LLC. Host has sought the consent of the City of Atlanta to assign all of Host's (or its affiliate's) interest as tenant (or member or partner of tenant) to WDFG North America LLC, as assignee, with WDFG North America LLC assuming all obligations of under such leases; provided, Host remains jointly and severally liable for all of the obligations of tenant under the leases with the City.

**3. If Applicable/Known:**

(a) Contract Type (e.g. Professional Services, Construction Agreement, etc.): N/A

(b) Source Selection: N/A

(c) Bids/Proposals Due: N/A

(d) Invitations Issued: N/A

(e) Number of Bids: N/A

(f) Proposals Received: N/A

(g) Bidders/Proponents: N/A

(h) Term of Contract: N/A

4. Fund Account Center (Ex. Name and number): N/A

Fund: \_\_\_\_\_ Account: \_\_\_\_\_ Center: \_\_\_\_\_

5. Source of Funds: N/A

6. Fiscal Impact: N/A

Example: This legislation will result in a reduction in the amount of \_\_\_\_\_ to Fund Account Center Number \_\_\_\_\_.

7. Method of Cost Recovery: N/A

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.

This Legislative Request Form Was Prepared By: Deven M. Judd, Concessions Development Manager