

1 [Lease Termination Agreement - Terminal 3, Boarding Area F Food and Beverage
2 Concession Lease 6 - Gate 74, Inc.]

3 **Resolution approving the Lease Termination Agreement for Terminal 3, Boarding**
4 **Area F Food and Beverage Concession Lease 6, Lease No. 16-0341 between Gate 74,**
5 **Inc. and the City and County of San Francisco acting by and through its Airport**
6 **Commission, effective upon approval of this Resolution.**

7
8 WHEREAS, On December 6, 2016, by Resolution No. 16-0314, the Airport
9 Commission (Commission) awarded the Terminal 3 Boarding Area F Food and Beverage
10 Concession Lease 6, Lease No. 16-0314 (Lease) to Gate 74, Inc. dba Pie Five Pizza (Tenant)
11 with an initial minimum annual guarantee of for \$250,000 and a six-year term, with two one-
12 year options to extend the term exercisable by the Commission at its sole and absolute
13 discretion; and

14 WHEREAS, On May 16, 2017, by Resolution No. 185-17, the Board of Supervisors
15 approved the Lease; and

16 WHEREAS, On November 1, 2023, the Airport continued the Lease on a month-to-
17 month holdover basis; and

18 WHEREAS, Due to the requirements of SFO's Terminal 3 West Modernization Project,
19 the Airport closed the original premises, and rather than terminating the Lease, Airport staff
20 relocated the premises pursuant to the terms of the Lease to a new location under the
21 concept of Sushirrito in the Terminal 3 hub food court to preserve needed food and beverage
22 service in Boarding Area F, in anticipation of increased flight activity in the terminal; and

23 WHEREAS, On August 20, 2024, by Resolution No. 24-0187, the Commission
24 exercised the first of two one-year options to extend the term of the Lease through
25 October 31, 2025; and

1 WHEREAS, On February 18, 2025, by Resolution No. 25-0030, Airport Commission
2 authorized a one-time reimbursement amount of \$320,891.70 in the form of rental credit to
3 Tenant in connection with the cost of relocation; and

4 WHEREAS, On August 19, 2025, by Resolution No. 25-0139 the Commission
5 exercised the second and final one-year option to continue the term of the Lease through
6 October 31, 2026; and

7 WHEREAS, On March 3, 2026, Tenant informed Airport Staff that the Sushirrito's San
8 Francisco franchisor entity was closing permanently and filing for bankruptcy, with Tenant
9 unable to receive brand items, operational or supply chain support from the appropriate
10 source, rendering continued operations at SFO impossible; and

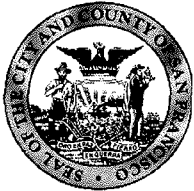
11 WHEREAS, The ongoing construction of Terminal 3 Modernization Project in the
12 surrounding area has also resulted in Sushirrito underperforming on a sales per square foot
13 basis since opening in that location; and

14 WHEREAS, Due to these difficulties, the Airport and Tenant have negotiated a Lease
15 Termination Agreement which provides for a termination of the Lease and for the Tenant to
16 surrender the premises; and

17 WHEREAS, On April 7, 2026, by Resolution No. 26-0078, the Commission approved
18 the Lease Termination Agreement; now, therefore, be it

19 RESOLVED, That this Board of Supervisors hereby approves the Lease Termination
20 Agreement for the Terminal 3 Boarding Area F Food and Beverage Concession Lease 6,
21 Lease No. 16-0314 to Gate 74, Inc, a copy of which is on file with the Clerk of the Board of
22 Supervisors in File No. 260440; and, be it

23 FURTHER RESOLVED, That within thirty (30) days of the Lease Termination
24 Agreement being fully-executed by all parties, the Airport Commission shall provide the final
25 agreement to the Clerk of the Board for inclusion into the official file.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 260440

Date Passed: June 02, 2026

Resolution approving the Lease Termination Agreement for Terminal 3, Boarding Area F Food and Beverage Concession Lease 6, Lease No. 16-0341 between Gate 74, Inc. and the City and County of San Francisco acting by and through its Airport Commission, effective upon approval of this Resolution.

May 20, 2026 Budget and Finance Committee - RECOMMENDED

June 02, 2026 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Chen, Dorsey, Mahmood, Mandelman, Melgar, Sauter, Sherrill,
Walton and Wong
Excused: 1 - Fielder

File No. 260440

I hereby certify that the foregoing
Resolution was ADOPTED on 6/2/2026 by
the Board of Supervisors of the City and
County of San Francisco.

f Angela Calvillo
Clerk of the Board

Daniel Lurie
Mayor

6 / 5 / 26

Date Approved