

1 [Lease Termination Agreement - Minute Suites Travelers Retreat SFO, LLC - Harvey Milk
2 Terminal 1 Retail Concession Lease 8 - Termination Fee \$75,000]

3 **Resolution approving Lease Termination Agreement for the Harvey Milk Terminal 1**
4 **Retail Concession Lease 8 at San Francisco International Airport, Lease No. 20-0045,**
5 **between Minute Suites Travelers Retreat SFO, LLC, as tenant, and the City and**
6 **County of San Francisco, acting by and through its Airport Commission.**

7
8 WHEREAS, On March 17, 2020, by Resolution No. 20-0045, the Airport Commission
9 (Commission) awarded the Airport Harvey Milk Terminal 1 Retail Concession Lease 8 –
10 (Lease) to Minute Suites Travelers Retreat SFO, LLC (Tenant); and

11 WHEREAS, By Resolution No. 525-20 adopted on November 20, 2020, this Board of
12 Supervisors approved the Lease, a copy of which is on file with the Clerk of the Board in File
13 No. 201082; and

14 WHEREAS, Tenant never commenced construction or opened for business as a result
15 of the COVID-19 pandemic; and

16 WHEREAS, Tenant has requested to terminate the Lease, citing significantly increased
17 costs since the Lease was executed and a decrease in sales nationwide for spa services in
18 airports due to a significantly diminished business climate for spa services in airports resulting
19 from the pandemic; and

20 WHEREAS, The Airport is agreeable to such termination pursuant to a Lease
21 Termination Agreement that provides for Tenant to pay a termination fee in the amount of
22 \$75,000 which is equal to one half of the Minimum Annual Guarantee rent payable under the
23 Lease (Lease Termination Agreement); and

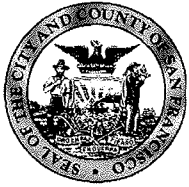
24 WHEREAS, Airport staff believes this is a fair and reasonable amount that will
25 compensate the Airport for the loss of revenue it will sustain as a result of such termination,

1 and is confident that a new tenant with a more profitable concept can be identified through a
2 competitive process; and

3 WHEREAS, On August 20, 2024, by Resolution No. 24-0189, the Commission
4 approved the Lease Termination Agreement; now, therefore, be it

5 RESOLVED, That this Board of Supervisors hereby approves the Lease Termination
6 Agreement for the Harvey Milk Terminal 1 Retail Concession Lease 8, Lease No. 20-0045
7 with Minute Suites Travelers Retreat SFO, LLC, a copy of which is on file with the Clerk of
8 the Board of Supervisors in File No. 240923; and, be it

9 FURTHER RESOLVED, That within 30 days of the Lease Termination Agreement being
10 fully-executed by all parties, the Airport Commission shall provide the final lease termination
11 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: 240923

Date Passed: February 25, 2025

Resolution approving Lease Termination Agreement for the Harvey Milk Terminal 1 Retail Concession Lease 8 at San Francisco International Airport, Lease No. 20-0045, between Minute Suites Travelers Retreat SFO, LLC, as tenant, and the City and County of San Francisco, acting by and through its Airport Commission.


February 12, 2025 Budget and Finance Committee - RECOMMENDED

February 25, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 240923

I hereby certify that the foregoing Resolution was ADOPTED on 2/25/2025 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



Daniel Lurie
Mayor

2.28.25

Date Approved