

**AIRPORT COMMISSION**

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 26-0128

**REPEAL OF RESOLUTION NO. 25-0044 APPROVING A LEASE TERMINATION AGREEMENT FOR THE TERMINAL 2 CASUAL DINING FOOD AND BEVERAGE CONCESSION LEASE 6, LEASE NO. 18-0074 WITH SSP AMERICA, INC. AND APPROVAL OF A NEW LEASE TERMINATION AGREEMENT OF SUCH LEASE WITH NO EARLY TERMINATION FEE**

- WHEREAS, on March 20, 2018, by Resolution No. 18-0074, the Airport Commission (Commission) awarded the Terminal 2 Casual Dining Food and Beverage Concession Lease 6 (Lease) to SSP America, Inc. (Tenant) which operates the premises as Sweet Maple; and
- WHEREAS, on September 10, 2019, by Resolution No. 19-0204, the Commission approved Amendment No. 1, which extended the term of the Lease through April 30, 2031, to allow for a longer development cost amortization period; and
- WHEREAS, on October 6, 2020, by Resolution No. 20-0180, the Commission adopted the COVID-19 Emergency Rent Relief Program for Airport Concession Tenants, which included the Lease and was memorialized in Amendment No. 2 to the Lease; and
- WHEREAS, on September 5, 2023, by Resolution No. 23-0224, the Commission authorized Amendment No. 3 to the Lease, which added three years and six months to the operating term as part of the Airport's COVID-19 Lease Extension Program; and
- WHEREAS, in the eight years of its operation, Sweet Maple has been underperforming on a sales per square foot basis; and
- WHEREAS, a large retail marketplace has been leased in Terminal 2 in space formerly operated as an Alaska Airlines Lounge and before that as an American Airlines Admirals Club, but the space has not been constructed due to the temporary use of the space as American Express Centurion Lounge; and
- WHEREAS, with the rise in popularity of airport lounges and with interest from both airline and common use lounge operators for tenancy in Terminal 2, it makes sense to: (1) close an underperforming food and beverage operation (Sweet Maple); (2) downsize and relocate an upcoming retail marketplace into the former Sweet Maple space, and (3) create space for a permanent lounge, from which the Airport will earn significantly more revenue; and

