

# **Item 25-0689: Scoma's Mutual Termination Agreement**

**Request approval of a Mutual Termination Agreement with Scoma's Restaurant, Incorporated for Lease No. L-9170 and Lease No. L- 9175 for Premises at Al Scoma Way SWL 302 San Francisco, CA 94111, subject to Board of Supervisor's approval**

July 23, 2025

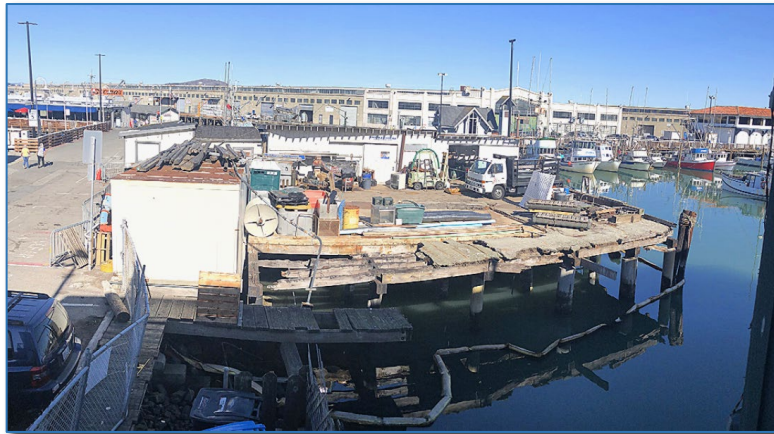
Presented by: Scott Landsittel, Deputy Director, Real Estate & Development



# Smokehouse Summary - Scoma's Leases L- 9170 and L-9175



Circa 2019



Summer 2024

In 2019, the Smokehouse was designated as unsafe (red-tagged) and is not financially feasible to repair. Port and Scoma's arrived an agreement to terminate the Smokehouse leases as follows:

- No termination fee is required due to the benefits derived for Port Real Estate, Resilience, and Planning purposes
- Scoma's obligation to pay rent terminates on full execution of the mutual termination agreement, saving Scoma's approximately \$480,000 over the 11 years remaining in the lease.
- The day before demolition commences both leases will be terminated. This structure was negotiated to reduce Port's liability before demolition commences.
- The removal of the structures will ease Wharf J-9 Phase 2 construction issues for improvements to Al Scoma Way and a new raised seawall protecting against sea level rise and earthquake risk.