

## Addendum #1

### REQUEST FOR PROPOSAL – RETAIL & DUTY FREE CONCESSION OPPORTUNITY

#### QUESTIONS & REQUESTS FOR INFORMATION – MARCH 25, 2022

On February 1, 2022 the Port of Oakland issued a Request for Proposal – Retail & Duty Free Concession Opportunity at Oakland International Airport (the “RFP”), which was posted on the Port’s website at [Bids, RFPs, RFQs For Port of Oakland | Work With the Port](#).

Pursuant to the RFP, Questions and Requests for Information (“RFI”) are to be submitted to the Port at email address [concessions@portoakland.com](mailto:concessions@portoakland.com) by 4:00 p.m. on March 11, 2022. Questions, comments and RFI have been received. Port of Oakland Staff has collected these questions, comments and RFI, and has reviewed, consolidated similar questions, comments and RFI, and summarized in the table below.

As noted in several questions, there is a discrepancy involving the list of Units included in the RFP (Section I.C.3.b.iii) and in the illustration of Units shown on Exhibit “A-2”. The following Units are included in this RFP and are illustrated on **Addendum #1-Exhibit “A-2R”** attached to this Addendum #1:

Retail Category	ID#	Sq. Ft.	Gross Sales	MAG
News/Convenience	T1-R-G1	384	\$500,000	\$64,000
ASR Retail Node	T1-R-C1-1	540	500,000	64,000
News/Convenience	T2-R-1	355	350,000	45,000
News/Convenience & Specialty Retail	T2-R-G24	1,483	4,000,000	490,000
High Tech – Specialty Retail	T2-R-C2-3	715	750,000	83,000
ASR Retail Node	T2-R-G27	165	200,000	25,000
News/Convenience	T2-R-G29	742	2,500,000	315,000
<b>Totals:</b>		<b>4,384</b>	<b>\$8,800,000</b>	<b>\$1,086,000</b>

#	Questions & Request for Information	Port Response
<b>A.</b>	<b>DATES &amp; DEADLINES</b>	
<b>1.</b>	Can the deadline for questions be extended to mid-April since	The Questions/Request for Information (RFI) due date specified in the Invitation, Page 3 of 4 of the RFP is hereby extended to <b>April 13, 2022 until 4:00 p.m.</b> Respondents who may have

	the RFP is not due until the end of June?	Questions or RFI must submit pursuant to the instructions found in the Invitation, Page 3 of 4 of the RFP by no later than this extended Due Date. The Port will respond to additional/supplemental Questions and RFI by <b>April 22, 2022</b> , as detailed in the Invitation, Page 3 of 4 of the RFP.
<b>B.</b>	<b>UNIT INFORMATION</b>	
<b>1.</b>	Does the Airport have a preferred location for the Duty Free or does the proposer suggest the location for the Duty Free?	This RFP does <u>not</u> include a Unit designated for Duty Free sales. Unit T1-R-G1 is currently operated as World Passage Duty Free. However, pursuant to Section II.A.2.a, Unit T1-R-G1 is expected to be developed by the successful Respondent as a "News/Convenience" concept.
<b>2.</b>	T2-R-G24 is showing Red on Exhibits and yet is listed as being a Unit for consideration in the RFP, which, according to the map, are shown in Blue.	Exhibit "A-2" has been replaced with <b>Addendum #1-Exhibit "A-2R"</b> . Unit T2-R-G24 is Blue and part of this RFP.
<b>3.</b>	Unit T1-R-G5 is on the Exhibit "A-2" map but isn't listed here at all. Is it part of the RFP?	Unit T1-R-G5 is not part of this RFP. See the updated list of Units included in this RFP as shown in the introductory paragraph and on <b>Addendum #1-Exhibit "A-2R"</b> .
<b>4.</b>	What is the future of the Kiosk and Newsstand Replacements (T2-R-C2-1 and T2-R-C2-2, respectively)? Is it not part of this RFP?	The Port seeks to minimize disruption and limitation to passenger amenities by developing its retail program under two packages. Those units not included in this RFP (shown as "pink") will be developed under a separate package, anticipated to be developed by World Duty Free Group (aka "Hudson"). Units T2-R-C2-1 and T2-R-C2-2 will be developed separately and are not part of this RFP at this time.
<b>5.</b>	What is the "New" Unit T1-R-G3 being positioned for and is it not part of this RFP?	Unit T1-R-G3 will be developed as a Specialty Retail Unit and is not part of this RFP.
<b>6.</b>	The location and area of each unit is given but not the measurement. Please provide	Please visit us online at: <a href="https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf">https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf</a> . A copy of the Tenant Design Standards – 2022 Retail & Duty

	the measurement clearly indicating the length and breadth to prepare the design of the shops.	Free Concession Opportunity at OAK (posted 02/01/2022) is available for download. The outline dimensions for each Unit is provided in the Tenant Design Standards.
<b>7.</b>	<p>Can the Port please provide the following as to each of the 14 pink concession spaces identified on Exhibit A-2:</p> <ul style="list-style-type: none"> <li>(i) Expiration date of each pink space.</li> <li>(ii) Date of removal for those marked "remove"?</li> <li>(iii) Confirm that all removed spaces will not be concession space during the term of the new blue spaces to be built by the successful proposer</li> </ul>	<p>Exhibit "A-2" has been replaced with <b>Addendum #1-Exhibit "A-2R"</b>.</p> <p>Hudson is the current retail operator for the retail program at OAK. The Port seeks to minimize disruption and limitation to passenger amenities by developing its retail program under two packages. The Port expects to execute a new agreement with Hudson for those units not included in this RFP ("pink units") for a term commencing on or about October 1, 2022 through January 31, 2033.</p> <p>The Port expects for those pink units earmarked "Remove" to be closed for operation and removed by December 31, 2022. The four units marked "Remove" will be permanently closed and are not expected to be replaced.</p>
<b>8.</b>	Please provide feedback on why "not all" of the retail spaces have been included within this RFP?	Please see response B.7. above.
<b>9.</b>	Please explain when the retail spaces that have not been included within this RFP will in fact be released?	Please see response B.7. above. If the Port and Hudson do not reach an agreement for the pink units, the Port expects to issue a separate RFP for those retail locations.
<b>10.</b>	If there are indeed two phases to the release of the retail spaces, can the successful proponent in phase one be permitted to bid and ultimately win in phase 2?	Please see responses B.7. and B.9. above. The Port encourages competition in its Airport Concession Program. In the event the Port issues a subsequent RFP for those retail units not included in this current RFP, the successful Respondent from the first RFP will not be allowed to propose for the subsequent retail RFP.

11.	Can the Port reissue the Exhibit A-2 Map to make consistent with the longer list of concessions in Exhibit A-3? Exhibit A-2 and Exhibit A-3 appear to be in conflict.	<p>The Food &amp; Beverage Concessions Program at OAK is currently underway. Exhibit "A-1" provides a map showing all the concessions (food &amp; beverage; retail &amp; duty free, lounge) that are currently open and are listed with both their current name (future name). Exhibit "A-3", provides a narrative detail with additional information of the type of products/services currently provided at each concession unit.</p> <p>For clarification and as detailed in the introductory paragraph of this Addendum #1, Exhibit "A-2" has been replaced with <b>Addendum #1-Exhibit "A-2R"</b>.</p>
12.	<p>Given the limited space for Unit T2-R-C2-3 (High Tech) it will not be possible to provide an exhaustive range of all the hardware mentioned in the RFP, while ensuring the proper merchandise selection and customer experience these technologies warrant.</p> <p>Will the Port consider a well-curated selection, that covers the High Tech categories and items that travelers most desire?</p>	Yes.
13.	Are there required code issues, sprinklers, fire ratings, smoke detection, heat detection, asbestos abatement, or any other life safety upgrades which will be necessary for the current retail locations?	<p>Unit Nos. T1-R-G1, T2-R-G24, T2-R-1 and T2-R-G29 are existing retail spaces and should be up to code, but successful Respondent will be required to confirm.</p> <p>Unit Nos. T1-R-C1-1, T2-R-C2-3 and T2-R-G27 are currently "public spaces" and may need to be brought up to code once converted into retail Units; the successful Respondent will be required to confirm.</p> <p><b>Exhibit "K"</b> to the RFP is a listing of Existing Environmental Reports for Port facilities where the RFP Units are located. The Port will coordinate with the successful Respondent for any testing to be conducted; however, any asbestos (or other hazardous materials) found within the Unit(s) will be the responsibility of the successful Respondent to abate.</p>

<b>14.</b>	Are there LEED requirements for the spaces in the retail offering?	Please visit us online at: <a href="https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf">https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf</a> . A copy of the Tenant Design Standards – 2022 Retail & Duty Free Concession Opportunity at OAK (posted 02/01/2022) is available for download. Sustainability Requirements may be found in Section 12.
<b>15.</b>	Are blade signs permitted?	Blade signs are permitted pursuant to the requirements contained in the Tenant Design Standards. Please visit us online at: <a href="https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf">https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf</a> . A copy of the Tenant Design Standards – 2022 Retail & Duty Free Concession Opportunity at OAK (posted 02/01/2022) is available for download.
<b>16.</b>	Are cameras permitted in spaces and do they need to be linked to the airport's system?	Please see Attachment 12 (Space/Use Permit), Exhibit "6" – Airport Security Requirements.
<b>C.</b>	<b>AUTOMATED SPECIALTY RETAIL NODES ("ASR")</b>	
<b>1.</b>	Will the bid include opportunities for vending machines as well as establishments?	There is a total of seven (7) Retail Units included in this RFP. These Units consist of News/Convenience, Specialty Retail and High Tech Specialty Retail stores plus ASRs. Please see Section II.B.1 for a summary of the Unit locations in question.
<b>2.</b>	If an ASR-designated area is redesigned by the awarded proposer and turned back over to the Port after construction, what is the Port's plan to find tenants for those ASR areas?	In the event a Respondent elects to sponsor, but thereafter return to the Port improvements made at either/both assigned ASR Nodes, Port staff may elect to issue a separate RFP for the ASR nodes or determine other methods of contracting with ASR retail merchandise providers, in its sole discretion.
<b>3.</b>	Is Retail Node T1-R-G7 considered a Unit or is this going to be an ASR location, as it is currently being used?	Retail Node T1-R-G7 will continue to be operated as an ASR location and is not included in this RFP. Please refer to <b>Addendum #1-Exhibit "A-2R"</b> for updated map showing the Unit locations included in this RFP.
<b>4.</b>	The documentation may be wrong in that there is no T2-R-G1 on the Exhibits A-2 map.	Please refer to the Unit information contained in the introductory paragraph of this <b>Addendum #1</b> and the illustration of Units found in <b>Addendum #1-Exhibit "A-2R"</b> .

	There IS a T1-R-G1 which isn't listed in Section B.iii	
<b>5.</b>	Is Retail Node T1-R-C1-1 expected to be the new home of the current ASR's located across from Gate 25?	Yes. Note, Port may decide to utilize this location to try out new concepts in the future.
<b>6.</b>	What will be the draw of travelers to stop in that corridor which is just a connector to get from Point A to Point B? Seating? Outlets? Any FB carts?	The Port has offered an opportunity to concessionaires currently operating at OAK to submit a Proposal for potential, available food and beverage concessions spaces. In an effort to activate the Connector Concourse between Terminals 1 and 2, the Port has included the creation of a new food and beverage unit at the Terminal 2 end of the Connector Concourse (new Unit T1-FB-C1-1), which consists of approximately 430 SF with an additional seating area along the window wall.
<b>7.</b>	Will there be any other areas outside of the designated ASR locations for automated retail?	Yes. See response C.5. above. The ASR Program is non-exclusive, and the Port is also looking at enhancing its pre-security ASR program.
<b>8.</b>	Is Retail Node T2-R-G27 a long, narrow "closet"? What will draw travelers to that area? Will it be visible to a seating area/passersby?	Retail Node T2-R-G27 is currently a vacant alcove area with existing electrical and plumbing. The alcove entry should be widened to improve visibility. Please visit us online at: <a href="https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf">https://www.portofoakland.com/wp-content/uploads/2022-02-01-OAK-Tenant-Design-Standards.pdf</a> . A copy of the Tenant Design Standards – 2022 Retail & Duty Free Concession Opportunity at OAK (posted 02/01/2022) is available for download. The outline dimensions for each Unit is provided in this document. Below, please find the overall plan for this Retail Node T2-R-G27.
<b>9.</b>	Space T2-R-G27: Plans from Tenant Design Guidelines include small area on the east side as part of the space. Should this space be included as part of the RFP design?	See response C.8. above. Below, please see as well overall plan for this ASR Node. The small area on the east side of the space may also be developed as part of the ASR Node design as incorporated in a Proposal. This drawing is to provide the Respondent with an idea on how this area may be developed. Respondent may propose an alternate option so long as a common path of travel (shown below) remains available to the stairwell and other rooms.

		<p>08 POST-SECURITY EXHIBITS</p> <p>8.23 SPACE T2-R-G27</p> <p>OVERALL PLAN   AREA = 165 SF</p>
10.	Space T2-R-G24 reflects 1,200SF but the design criteria show the space as 1,483SF. Which is accurate?	The existing size of Unit T2-R-G24 is 1,200 square feet. Staff believes the Unit may take advantage of unused space and increase in size to the 1,483 square feet shown on Drawing 8.22 of the Tenant Design Standards.
11.	Space T2-R-G27 reflects 100SF but the design criteria show 165SF. Which is accurate?	Unit T2-R-G27 is new with no existing improvements. Staff estimates the size between 100 square feet and 165 square feet. Respondents should plan to develop the 165 square feet as shown on Drawing 8.23 in the Tenant Design Standards.
12.	Will the airport be providing access to digital files – AutoCAD or REVIT – for all proposed LOD's in the RFP?	AutoCAD or REVIT not available.

<b>13.</b>	Will CADs be provided for the specific concourse and all support storage spaces?	The Port does not provide CAD drawings; the successful Respondent may work with Port staff to determine if any other types of drawings may be available.
<b>14.</b>	Will electric be available in storage spaces?	Electricity will be available at all storage spaces.
<b>D.</b>	<b>RENTAL STRUCTURE</b>	
<b>1.</b>	Is the Benefits Fee optional?	Yes; the Port does not require the successful Respondent to add the Benefits Fee as a cost to its customers.
<b>2.</b>	In Section I.C.3.b of the RFP could you please share how the Port is arriving at the gross sales projection?	The Port will provide a response in a subsequent Addendum.
<b>3.</b>	Will temp locations operated during construction by percent rent only?	<p>Please see Section I.C.3.b.ii of the RFP. During the time Temporary Units are operating or the Units are closed for construction, there will be no MAG payable, but if Unit is operating on a Temporary basis, then payment of percentage of gross revenue will apply.</p> <p>Please also see Section I.C.4 of the RFP. Based on the construction schedule proposed by Respondent and incorporated into the Proposal, the MAG for each Unit will commence on the Proposed Opening Date, and if the Unit is not open and operational, Respondent will be responsible for payment of the MAG plus applicable Liquidated Damages in the amount of \$500 per day for each Unit not timely open.</p>
<b>E.</b>	<b>OPERATION OF UNITS</b>	
<b>1.</b>	What are current vendors to assume will happen beginning October 1, 2022 when the RFP is awarded?	See Section II.B.E of the RFP. The successful Respondent is expected to take possession of the Units as of October 1, 2022 to start construction phasing and complete construction no later than May 1, 2024. Current concessionaires may opt to either terminate operations or work out an agreement with the successful Respondent to continue operating existing Units until such time that construction is underway. Port approval is required of any agreement reached between the current concessionaire and the successful Respondent.
<b>2.</b>	Please confirm that the maximum storage in store is 5%.	Yes.



<b>3.</b>	Please confirm the rental fee rates for on-site storage (not in store) are \$4.596 per square foot, per month?	Storage and support space is charged according to the Airport's annual Rates & Charges ordinance. The Concessions Storage rate for FY2021-22 is \$4.596 per square foot, per month. In general, the Board adopts its annual Rates & Charges ordinance in June or July, with the revised Concessions Storage rate effective as of September 1 <sup>st</sup> each year.
<b>4.</b>	Please confirm that all spaces charge 3% from commencement, and it increases to 5% for the life of the lease, after construction.	Port Staff assumes the question refers to the Benefits Fee. If so, then the answer is correct: upon the effective date of Space/Use Permit with the successful Respondent, a 3% Benefits Fee may be charged for items sold in each Unit. As new Units are (re)developed, the Benefits Fee increases to 5% for those Units, and remains at 3% for those Units that have not been (re)developed.
<b>5.</b>	Please confirm the utilities will be brought by the landlord to the perimeter of each premise?	The Port will not construct any utility infrastructure to the Assigned Space. If a Unit is not currently connected to utilities, as part of its design and construction, the successful Respondent will install the utility(ies) from the point of connection to the Assigned Space. The Port will reimburse the successful Respondent for the proportional cost from the point of connection to the lease line.
<b>6.</b>	Specific hours of operation are outlined in the RFP. Will there be a requirement to remain open even though there's no flight activity near the retail location?	Please see Paragraph J to the Space/Use Permit (Attachment 12 of this RFP). Operating Hours may be modified from time to time.  In recognition of the current COVID-19 Pandemic, the Director may grant interim requests for modified Operating Hours, and in fact, the Director has modified Operating Hours.
<b>7.</b>	Will the airport be responsible for transport of trash and recyclable materials to specific collection areas and will routine pick-up at each space occur?	Please see Exhibit 12-Green Concessions Program to the Space/Use Permit (Attachment 12 of this RFP). Respondent is responsible for separating trash according to the Port's Three Stream Waste Diversion Program and waste must be placed in the appropriate compactor in Terminal 1 or trash chute in Terminal 2. Respondent is responsible for transporting waste to the compactors/chute rooms. The Port coordinates pick-up of waste at no cost to concessionaires. Respondent is also responsible for ensuring that all pallets, boxes and other materials used for the delivery of goods be transported to specific collection areas or arrange for collection of such pallets, boxes and other materials as needed.
<b>8.</b>	As centralized receiving & distribution is being contemplated, what is the	To address severe delivery congestion impacting the loading docks at OAK, the Port is in the early stages of exploring the development of a Consolidated Receiving & Distribution Center ("CRDC"). If eventually implemented, it is anticipated that all Concessionaires will be required to

	anticipated cost to be passed on to concessions?	participate and use the CRDC, with costs of operation apportioned to all participants. Further, based on experience, it is anticipated that the expense to the Concessionaires will be mitigated by reduced labor costs and increased efficiency. There is no anticipated time frame for when the Port will determine if a CRDC program will be implemented at OAK.
<b>9.</b>	Will grab and go beer, wine and cocktails be permitted for consumption?	Presently, due to the COVID-19 Pandemic, alcoholic beverages may be purchased for consumption within gate holdrooms. However, this policy is subject to change or discontinuation based on the rules and regulations set forth by the California Alcohol and Beverage Commission ("ABC"). If the current exemption is rescinded by the ABC, then sales of alcoholic beverages must cease. Respondents are free to check with the ABC.
<b>10.</b>	What are specifics pertaining to price comps? How far from airport can we go as the RFP describes the sense of place as Oakland, East Bay, San Francisco, Napa/Sonoma and Northern California?	Please see Paragraph B.4 to the Space/Use Permit (Attachment 12 of this RFP). The geographic location for comparable pricing shall be limited to the counties of Alameda, Contra Costa, San Francisco and Santa Clara.
<b>F.</b>	<b>AIRPORT INFORMATION &amp; STATISTICS</b>	
<b>1.</b>	Are there any consumer demographics for the terminal, or have you done any recent Customer Surveys or Studies pertaining to customer preferences, needs or wants as done by the Port?	The Port will provide a response in a subsequent Addendum.
<b>2.</b>	Are any potential airlines in discussion to fly from OAK that are not currently in the RFP?	Several; however, no specific airline names are disclosed until a formal announcement is made.
<b>3.</b>	How far out are enplanements forecasted? Are copies available of same?	Please refer to Exhibit J-3 of this RFP which provides forecasted passenger enplanements for CY2022 through CY2025; the Port does not provide a forecast beyond this time frame.

<b>4.</b>	Can you provide data on gate usage and passenger flow?	The Port will provide a response in a subsequent Addendum.
<b>5.</b>	Can you provide a chart that shows the peaks and troughs in passenger traffic for each terminal?	The Port will provide a response in a subsequent Addendum.
<b>6.</b>	Can you provide the percentage mix of origination and destination passengers for each terminal vrsus those that use the terminal as a hub?	The Port will provide a response in a subsequent Addendum.
<b>G.</b>	<b>EXPERIENCE AND QUALIFICATIONS, FORM OF PROPOSAL, ACDBE PARTICIPATION</b>	
<b>1.</b>	If a party has business experience in retail and duty free, but not at an airport, may they be considered for participation in the RFP?	Section I.C.10 of the RFP delineates the experience and qualifications required of a Respondent. Any business without the minimum experience and qualifications required are encouraged to partner with an entity(ies) with such experience. Any proposal received from a Respondent who does not meet all the experience and qualification requirements will be deemed non-responsive.
<b>2.</b>	Section C, Adherence to Port Policy Requirements, the forms referenced in this section all belong in certain tabs/sections. Do they need to be repeated for this Section C? Why are they brought up here again?	Section IV of this RFP provides the Respondent with detailed information regarding submission requirements. Section C-Adherence to Port Policy Requirements was included by the Port as a reminder to Respondents that there are various forms which need to be completed and returned along with the proposal. The forms do not have to be repeated in Section C.
<b>3.</b>	Are there page limitations?	There is no specific page limitation for the Proposal; however, the RFP specifies a <u>minimum</u> of "three architectural full-colored renderings (11" x 17") for each Unit showing the exterior elevation, interior elevation and layout of the interior. Respondents should produce a Proposal that is clear, concise, meets all the requirements contained in the RFP and will be informative to all readers and to the Evaluation Committee.

<b>4.</b>	Can proposers submit a video on the USB drive with the proposal?	Respondents will need to follow Section IV-Submission Requirements of the RFP. In the event a Respondent elects to submit additional information, such as a video on a USB drive, Respondent will need to ensure that there is a copy contained in each copy of the Proposal.
<b>5.</b>	Would the Port consider amending the submission requirements to include one original hard copy and 9 USB submissions for a greener solution rather than printing?	No.
<b>6.</b>	If an ACDBE does not have the proper classification codes, but they are in the process of adding them at the time of submission, will that be accepted?	Please see Section III.B of the RFP.  In order for participation to count toward the ACDBE attainment, Respondents and/or its subcontractors must be certified opening by an authorized agency of the California Unified Certification Program as of the Due Date of the Proposal. An ACDBE will need to have its classification code by the time of the Proposal Due Date which is June 24, 2022 at 3PM PST.

**Addendum #1 - Exhibit "A-2R"**  
**RETAIL & DUTY FREE**  
**Oakland International Airport**  
**Concessions Program**  
**2022 Retail RFP**  
**RFP Units**

