

REQUEST FOR PROPOSAL

RETAIL & DUTY FREE CONCESSION OPPORTUNITY

I  OAK
Fly the East Bay Way

Aviation Properties
OAKLAND INTERNATIONAL AIRPORT
1 Airport Drive – Terminal 1, Box 45
Oakland, CA 94621



PORT OF OAKLAND
REQUEST FOR PROPOSAL

**Retail & Duty Free Concession Opportunity at
Oakland International Airport**

The Port of Oakland (the "Port"), Oakland, California, is hereby soliciting competitive proposals for the above-mentioned concession development opportunity. The successful Respondent will be required to furnish all labor, material, equipment, supplies, applicable taxes, insurance, bonding, permits, and licenses to design, construct, maintain, and operate the awarded retail and duty free concession opportunity.

Request for Proposal ("RFP") Information

| | |
|--|---|
| RFP Title | 2022 Retail & Duty Free Concession Opportunity at Oakland International Airport |
| RFP Type | Airport Concession |
| RFP Issued | February 1, 2022 |
| Issuing Department | Aviation Properties Department; Aviation Division |
| Mandatory Pre-Proposal Zoom Meeting | February 23, 2022 at 1:30 p.m. – 3:30 p.m. PDT Zoom Meeting: Meeting ID: 925 2595 7406 Passcode: 117503 Attendance will be monitored. |
| Scheduled Publication Date | February 1, 2022 |
| RFP Documents | The RFP will be posted on the Port's website in five sections: <ul style="list-style-type: none"> • RFP Invitation & Narrative • Attachments • Exhibits • Tenant Design Standards (Revised 2/1/2022) • Exhibit "I" in Excel format |
| Proposal Due Date | No later than 3:00 p.m. (PDT) on June 24, 2022 |

Instructions for Submitting Proposals

| | |
|--|--|
| Submittal Address | Port of Oakland Aviation Properties Department Attn: Brandon J. Mark, Manager Terminal 1 – Second Floor 1 Airport Drive, Box 45 Oakland, CA 94621 |
| Submittal Copies | One (1) Original copy clearly marked "Original", eight (8) Copies marked "Copy", and one .pdf electronic version on a flash memory device connectable to a computer by USB port. |
| Submittal Envelope Requirements | The Proposal package must be <u>sealed</u> and have the following information <u>clearly marked</u> and visible on the outside of the envelope and/or box: <ul style="list-style-type: none"> • Proposal Name • Name of Your Company ("Respondent") • Address • Phone Number |
| Late Submittals | Proposals received after the time and date stated above will be returned unopened to the Respondent. |

How to Obtain RFP Documents

Copies of the RFP documents may be obtained at:

| Available | Location |
|------------------|--|
| Yes | Port of Oakland – Aviation Properties Department 1 Airport Drive Oakland, CA 94621 By Appointment: Monday through Friday 9:00 AM to 4:00 PM (510) 563-3677 |
| Yes | Available at www.portofoakland.com/business/bids-rfps/ |

Questions about the RFP

Questions and/or Requests for Information (RFI) must be submitted in writing and must be submitted by email as follows:

| | |
|------------------------|--|
| Primary Contact | Brandon J. Mark, Manager of Aviation Properties Email: concessions@portoakland.com |
|------------------------|--|

| | |
|--|---|
| <p>Questions/Request for Information (RFI) Due Date</p> | <p>March 11, 2022 until 4:00 p.m.</p> <p>Please submit questions and/or requests for information (RFI) as soon as possible. No questions or RFIs regarding any sections and/or attachments to this RFP (as hereinafter defined) will be accepted after the above date. All pertinent questions will be responded to and answered in writing no later than the Response Date listed below.</p> <p>Email at: concessions@portoakland.com</p> <p>Mail Address:</p> <p>Port of Oakland Aviation Properties Department Attn: Brandon J. Mark 1 Airport Drive, Box 45 Oakland, CA 94621</p> |
| <p>Question/RFI Response Date</p> | <p>March 25, 2022</p> <p>All pertinent questions will be responded to via addendum or addenda. As a courtesy, the Port will email the addendum/addenda to all prospective Respondents who attended the Mandatory Pre-Proposal Meeting (and who provided an email address). All addendum/addenda will also be placed on the Port’s website.</p> <p>It is the Respondent’s – not the Port’s – obligation to access the Port’s RFP website to confirm that Respondent has received the addendum/addenda, and to download it from the Port’s website. See the “How to Obtain RFP Documents” section for our web address.</p> <p>All addenda must be acknowledged on the RFP Acknowledgement and Signature form.</p> |

Once the RFP is issued, and until a recommendation for award is made to the Board of Port Commissioners (the “Board”) at a public Board meeting, each Respondent and its representatives, agents, and affiliates, must not contact members of the Evaluation Committee, Port staff, the Board, the Port’s consultants, City of Oakland staff, council members or officials to discuss or ask questions about the contents of this RFP or the selection process. All questions or RFI must be submitted in writing as described in this RFP. Any inappropriate contact by a Respondent, its representatives, agents, and affiliates may result in the Respondent’s Proposal being disqualified.

When reviewing this RFP and its various attachments and exhibits, Respondents should note that:

- “Attachments” with numbers, refer to attachments to this RFP;
- “Exhibits” with letters, refer to exhibits to this RFP; and,
- “Exhibits” with numbers, refer to exhibits to the Space/Use Permit

Full Opportunity

The Port's policy prohibits discrimination or preferential treatment because of race, color, religion, sex, national origin, ancestry, age (over 40), physical or mental disability, cancer-related medical condition, a known genetic pre-disposition to a disease or disorder, veteran status, marital status, or sexual orientation. It is the policy of the Port to encourage and facilitate full and equitable opportunities for small and local businesses to participate in its contracts for the provision of goods and services. It is further the Port's policy that no discrimination shall be permitted in small local business participation in Port contracts or in the subcontracting of Port contracts. Each successful Respondent shall comply with the Port's nondiscrimination policy.

The Port reserves the right to reject any or all proposals, to waive any irregularities or informalities not affected by law, to evaluate the proposals submitted and to award the applicable Space/Use Permit according to the proposal that best serves the interests of the Port.



Brandon J. Mark, IAP
Manager – Aviation Properties
Oakland International Airport
Port of Oakland

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Attachments

| Title | | Must Be Returned with Proposal |
|--------------|---|---|
| 1 | Non-Collusion Declaration | Yes |
| 2 | Statement of Equal Employment Opportunity | Yes |
| 3 | RFP Acknowledgement and Signature Form | Yes |
| 4 | Statement of Adherence to Labor Peace Rule | Yes |
| 5 | Port of Oakland Airport Concession Disadvantaged Business Enterprise (ACDBE) Program A. Quarterly Reporting for Participation of Airport Concession Disadvantaged Business Enterprise B. Quarterly Report Certificate Letter C. Report of Certified ACDBE Form D. Uniform Report of ACDBE Participation | No (Note: Quarterly and final reports are required after contract award.) |
| 6 | Disadvantaged Business Enterprise Program Affidavit | Yes |
| 7 | City of Oakland City Charter § 728 Living Wage Information A. Employer Self-Evaluation for Port of Oakland Living Wage B. Certificate of Compliance—Living Wage | No (Note: Attachment 7-A and 7-B are required after contract award.) |
| 8 | Statement of Living Wage Requirements | Yes |
| 9 | Insurance Requirements (Incorporated into the form of Space/Use Permit) | No |
| 10 | Insurance Acknowledgement Statement | Yes |
| 11 | Proposal Deposit | Yes |
| 12 | Form of Space/Use Permit | No (Note: The successful Respondent will execute the Space/Use Permit if awarded the opportunity.) |

Exhibits

| | |
|----------------------|---|
| <u>Exhibit "A-1"</u> | Terminal Map illustrating locations of exiting Retail Units with Existing Food & Beverage, Retail, Wine Bar and Escape Lounge also illustrated |
| <u>Exhibit "A-2"</u> | Detailed Terminal Map illustrating location of subject Retail Units (the "Units") |
| <u>Exhibit "A-3"</u> | Narrative Detail of Current OAK Concessions Program for Retail, Duty Free, Food & Beverage, Wine Bar and Escape Lounge |
| <u>Exhibit "B-1"</u> | Detailed illustration/site plan of each Unit |
| <u>Exhibit "B-2"</u> | Design concepts of select existing and new Units. |
| <u>Exhibit "C"</u> | Resolution No. 20467: Resolution Implementing Port Sustainability Policy |
| <u>Exhibit "D"</u> | Important Anticipated Dates in this RFP and in the Space/Use Permit |
| <u>Exhibit "E"</u> | Resolution No. 17-35: Labor Peace Rule |
| <u>Exhibit "F"</u> | Resolution No. 18-32: First Source Referral and Non-Discrimination Against Applicants with History with Criminal Justice System in the Employment of Concession Employees |
| <u>Exhibit "G"</u> | Resolution No. 15-056: Airport Labor Pool Program |
| <u>Exhibit "H"</u> | Evaluation Criteria for the Retail & Duty Free Concession Opportunity RFP |
| <u>Exhibit "I"</u> | Mandatory Submittal Forms |
| <u>Exhibit "J-1"</u> | Gross Sales for all Food & Beverage Concessions for Calendar Years 2016 through 2021 |
| <u>Exhibit "J-2"</u> | Gross Sales for all Retail Concessions for Calendar Years 2016 through 2021 |
| <u>Exhibit "J-3"</u> | OAK Passenger Enplanement History & Forecast |
| <u>Exhibit "K"</u> | List of Existing Environmental Reports for Port Buildings M130 and M152 where Unit is located |
| <u>Exhibit "L"</u> | Port Resolution No. 16-144: Policy for Awarding Concession and Customer Service Privileges in the Terminal Building at Oakland International Airport" adopted December 15, 2016 |
| <u>Exhibit "M"</u> | Small Business Self-Certification Form |
| <u>Exhibit "N"</u> | Airport Concession Disadvantaged Business Enterprise Program and Small Business Enterprise Race and Gender-Neutral Clause |

I. CONCESSIONS OPPORTUNITIES OVERVIEW

The City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners (the "Port") is soliciting proposals for a **Retail & Duty Free Concession Opportunity at Oakland International Airport**. This request for proposals ("RFP") will result in the award of one (1) individual concession privilege for the construction, maintenance, and operation of multiple Concessions Units consisting of approximately 3,860± gross square feet of space located throughout the pre-security and post-security areas of Terminal 1 and Terminal 2, to serve all passengers, tenants, employees and visitors at the Oakland International Airport ("OAK" or the "Airport"). The Units are shown on [Exhibit "A-1"](#), [Exhibit "A-2"](#) and [Exhibit "B-1"](#).

The successful Respondent will enter into a non-exclusive, long-term Space/Use Permit, substantially in the form attached to this RFP as [Attachment 12](#), with the Port that governs the construction, maintenance, and operation of the Units.

A. Two Decade History of Concessions at OAK

In 2005, the Board adopted its first Concessions Policy¹ which states in part: "Competitive proposals will be used for those concession or customer service privileges where type of service, volume of business to be generated, quality of services or products, and demonstrated capability and depth of management can be clearly differentiated among several operators." Specifically, food and beverage, news, gifts, and specialty retail concession opportunities are included in the Policy. In 2006, with:

- The anticipated opening of the new Terminal 2 ("T2") extension (Gates 26 through 32); and,
- The pending expiration of the existing single-operator, food, beverage and retail concession agreement with CA1 (owned by Delaware North Companies) for all units in Terminal 1 ("T1") and the original portion of Terminal 2 (Gates 20 through 25; "T2"),

the Port issued a series of RFPs for all concessions locations that resulted in the following long-term contracts with a concurrent expiration date of May 31, 2018:

- Andale Management Group, Inc. operating Andale Café – full-service bar and restaurant in T2.
- Gotham Foods Two LLC operating Firewood Café – quick-serve restaurant in T2.
- Host International, Inc. operating² or subleasing³:
 - Fifteen news/gifts/retail units located throughout T1 and T2;
 - Five bar/restaurants;
 - Four specialty coffee outlets;
 - Two multi-concepts/food courts; and,
 - One quick-serve restaurant.

¹ Resolution No. 05-079: Policy for Awarding Concession and Customer Service Privileges in the Terminal Buildings at Oakland International Airport, adopted March 15, 2005.

² Operated Units: Auntie Anne's, Chili's, CPK ASAP, Eight Bar, Fenton's, Heinholds First & Last Chance, Max's, Pyramid Ale House, and Starbucks (4 locations).

³ Subtenant Units: Burger King, Gordon Biersch, Jamba Juice, Silver Dragon Café, and Subway.

- Taste, Inc. operating Vino Volo – wine bar in T2; subsequently, Taste, Inc. opened a second Vino Volo location in T1.
- Youth Employment Partnership (YEP) operating two Training Grounds coffee locations in pre-security T1 and T2 (due to operational/revenue issues, in 2014, the Port allowed YEP to close the T1 location and its unit in T2 closed May 2018).

In 2014, to accommodate a corporate break-up of Host’s food and beverage operations from its retail business, the following occurred:

- The Host contract was amended to delete all retail units;
- A new contract with World Duty Free Group (WDFG) covering Host’s former retail units was approved by the Board with an extended expiration date of May 31, 2021. WDFG is owned by Dufry AG and operated by Hudson Group; and,
- The contract with Vino Volo was extended to May 31, 2021.

In 2019, the food and beverage contracts with Andale Management Group, Inc.; Gotham Foods Two LLC; and, Host International, Inc. expired at the end of January and have been replaced with the following operators:

- High Flying Foods with six units spread throughout both terminals to operate: A-16 Pizzeria, Artisan Market, Calavera, Farley’s, Oaklandish Coffee Collective, and Southie.
- NNF Grewal, Inc. to operate a Subway in Terminal 2.
- Rylo Management, LLC to operate Tay Ho Oakland, a Vietnamese concept in Terminal 2.
- Soaring Food Group to operate Luka’s in Terminal 1.
- SSP America with six units in Terminals 1 & 2 to operate: Cosecha, Oakland A’s Club House, Sierra Nevada/Oakland Draft House, and three Peet’s locations.

In 2020, because of the financial and aviation-related impacts of the COVID-19 Pandemic, the following occurred:

- The World Duty Free Group (WDFG) contract was extended to May 31, 2022; and
- The contract with Vino Volo was extended to May 31, 2022.

Gross Sales for all OAK Concessions for Calendar Years 2016 through 2021 are attached as [Exhibit “J-1”](#) (Food & Beverage) and [Exhibit “J-2”](#) (Retail).

B. Goals of the 2022 Retail & Duty Free Concession Opportunity

This RFP and the planned construction and redevelopment of several pre-security and post-security retail units spread throughout Terminal 1 and Terminal 2 at OAK are consistent with the Port’s overall business strategy for the Airport in its role as the San Francisco Bay Area’s second busiest airport and the low-cost airport serving the Bay Area. In FY2021-22 OAK is expected to serve:

- 3.744 million annual enplaned passengers (vs. 6.688 million annual enplaned passengers at OAK in CY2019);

- A collection of ten low-cost and legacy domestic and international airlines⁴;
- 44 international and U.S. destinations;
- A healthy mix of business travelers plus vacation and leisure travelers including those visiting friends or family; and,
- International passengers with flights to Mexico and the Azores.

The Airport's customers are value oriented, and the Port is seeking a concessionaire who can provide high quality services at affordable prices. The use of well-known, established local, regional, and national brands (acceptable but limited in number), is strongly encouraged as a means of achieving these objectives, with particular emphasis on local brands that supports the Airport's "Fly the East Bay Way" marketing, but also national brands to service customers who may not be familiar with popular local offerings. A Respondent's proprietary brand is the least acceptable and is discouraged.

To meet the Port's goal of supporting local brands and providing a sense-of-place, Respondents are encouraged to foster partnerships, sublease and/or licensing of local concepts where appropriate, and at a minimum, to provide ample shelf space opportunities to showcase and sell local products, including placement of store-within-a-store to highlight "local".

The Port's overall goals for the redeveloped concession program are summarized below and are not ranked in any particular order. Respondents are strongly encouraged to consider these goals when preparing their Proposals.

1. Develop well designed, high-quality, attractive and durable new facilities (reference [Exhibit "B-2"](#) for sample design ideas);
2. Design, construct and open each Unit as quickly as possible to improve the customer experience and to meet or exceed the time frames outlined in [Exhibit "D"](#).
3. Provide high quality concession services at affordable prices;
4. Provide great customer service;
5. Offer a mix of proven and established local and regional brands, with a strong emphasis on representing and supporting local brands, and stocking local products;
6. Make a good faith effort to meet the Port's aspirational ACDBE goals. See [Section IV.B.](#) of this RFP for additional information. Make a good faith effort to outreach and seek participation from Small Businesses; and,
7. Recruit qualified and consistent concession workforce and assure non-disruption of operations.

The Selection Criteria that will be used by the Concessions Evaluation Committee are included as [Exhibit "H"](#) of this RFP.

C. Business Terms and Conditions of the 2022 Retail & Duty Free Concession Opportunity

1. Basic Terms:

- a. Assigned Space: One pre-security Unit and six post-security Units (including two ASR Retail Nodes) – See [Exhibits "A-1" and "A-2"](#) – Terminal Maps with the Units Identified and [Exhibit "B-1"](#) providing detail for each Unit.

⁴ Alaska, Allegiant, Azores, Contour, Delta, Frontier, Hawaiian, Southwest, Spirit and Volaris

- b. Automated Specialty Retail Nodes: Non-exclusive Automated Specialty Retail ("ASR"); i.e., vending machines that sell higher-end merchandise with brands such as Benefit Cosmetics, CVS, FuelRod, iStore, Simply and SouveNEAR have proven popular with OAK's passengers and tenants. Currently, the ASR machines are scattered throughout the Terminal Complex and managed in-house; staff proposes to consolidate into three "nodes" with distinctive flooring, lighting, wall coverings, and/or "framing". Respondent has the option to propose:
 - i. "Sponsor" the two assigned Automated Specialty Retail Nodes by designing and constructing appropriate improvements and turning over those improvements to the Port; thereafter, Respondent will not have any on-going obligations of maintenance and repair; or,
 - ii. Include the assigned Automated Specialty Retail Node within the definition of Assigned Space and be responsible for designing, constructing and maintaining appropriate improvements and providing the ASR kiosks and paying the applicable Rent (MAG and Percent Rent) to the Port.
- c. Term: Following award and approval by the Board of Port Commissioners, then from the Effective Date of the Space/Use Permit through September 30, 2034, (an Interim Term anticipated to provide several months for transition plus a primary term of just less than 10 years). The dates in the following Sections C.1.b.i and C.1.b.ii are tentative and may be shortened or extended depending on timing of the review and award of the Concession Opportunity; however, in no event will the expiration date of the Primary Term be extended beyond September 30, 2034.
 - i. Interim Term: Shall commence as of the date the Port executes and the Port Attorney approves as to form the Space/Use Permit (the "Execution Date") with immediate occupancy for commencement of construction and shall expire December 31, 2023; and,
 - ii. Primary Term: Commences on January 1, 2024 Term and shall expire at 11:59 PM Pacific Time on September 30, 2034.
- d. Minimum Initial Capital Investment = \$500 per square foot
- e. Minimum Mid-term Capital Investment = \$75 per square foot
- f. Marketing Fund = 0.5% of Gross Receipts generated from the Unit

2. Recommended Concepts: Section II.A defines the retail and duty free categories. Although the Port emphasizes local concepts, the Port does not recommend any specific local, regional and/or national concepts or brands for the Units. Provided Respondent adequately addresses local business utilization and local concepts in the overall branding of the Units, the Port may not object to the inclusion of national brands.

3. Rental Structure: In general, all rental rates are calculated for the Unit based on the Gross Receipts generated by the total Unit; not per concept(s) within a Unit. However, for those Units that are authorized to sell a mix of merchandise within the Unit; i.e., News/Convenience plus Duty Free and/or Specialty Retail, and/or Store-within-a-Store, Respondent must report and pay percentage rent for each Retail Category (defined in Section II.A., below) and/or separate Store-within-a-Store. The Respondent will pay MAG or percentage rent, whichever is greater.

- a. Percent Rental Rates – Percentage of Gross Receipts based on the definitions found in Section II.A. of this RFP:
 - i. The Port has eliminated "step" and/or "tiers" based on gross sales

- ii. News & Convenience: 15%
 - iii. Duty Free: 16%
 - iv. Specialty Retail: 13%
 - v. The total percentage rent due shall be the sum of the individual rent calculations for each Unit, which shall be compared with the MAG by Unit to determine the amount due each month.
 - vi. The Port will not consider any alternative percentage rent structure from any Respondent.
- b. Minimum Annual Guarantee ("MAG"): Detailed in Attachment 12 – Space/Use Permit, which Respondent should carefully review for specific calculation of COVID-related MAG adjustments.
- i. The MAG is calculated on the Port's estimate of initial gross sales projections for each Unit commencing with the earlier of the (re-)opening of the Unit or the Commencement Date of the Primary Term.
 - ii. During the time the Temporary Units (defined below) are operating or the Units are closed for construction, there will be no MAG payable.
 - iii. The calculated MAG for each Unit:

| Retail Category | ID# | Sq. Ft. | Gross Sales | MAG |
|-------------------------------------|------------|----------------|--------------------|--------------------|
| News/Convenience | T2-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 | 1,200 | 4,000,000 | 490,000 |
| High Tech – Specialty Retail | T2-R-C2-3 | 715 | 750,000 | 83,000 |
| ASR Retail Node | T2-R-G27 | 100 | 200,000 | 25,000 |
| News/Convenience | T2-R-G29 | 742 | 2,500,000 | 315,000 |
| Totals: | | 3,860 | \$8,800,000 | \$1,086,000 |

- iv. MAG would be tied to ENP percentages comparing the month in CY2019 with the month when initial MAG is calculated. As an example, if ENPs are at 65% compared to CY2019 when Unit T2-R-G29 opens, Initial MAG would be \$204,750 ($\$315,000 \times 65\% = \$204,750$).
 - v. Annual MAG will be recalculated and reset based on 85% of prior year payments (MAG or percentage rents), but never less than the Initial Unadjusted Minimum Annual Guarantee.
 - vi. The Port will not consider any alternative MAG or rent structure from any Respondent.
- 4. Temporary Use of Existing Facilities:** Upon the Effective Date of the Space/Use Permit, Respondent will be provided possession of the Units. Respondent may use any existing facilities within the Unit until Construction Starts. The Port expects the new

Units⁵ to start opening and be operational by February 1, 2024 and the last Unit to open no later than April 30, 2024. Based on the construction schedule incorporated into the Proposal, for each Unit, MAG will commence on the Proposed Opening Date, and if the Unit is not open and operational, in addition to MAG, Liquidated Damages in the amount of \$500 per day will be imposed for each Unit that does not timely open.

As part of its Transition Plan, Respondent may also propose the use of carts or other types of temporary retail facilities adjacent to or in the vicinity of the Units under construction, provided that such temporary retail facilities do not interfere with passenger flows and airline operations in the Terminal Complex. Respondent's Proposal should include these temporary retail facilities and the Port will review and determine acceptability after award of the Concession Opportunity. Approval of carts or other temporary facilities will be at the sole discretion of the Port.

5. **Pricing Policy** = Street + 10%; prices may be no more than 10% higher than prices charged for comparable Retail products and services located off Airport. Pre-priced items must sell for marked price.
6. **Benefits Fee** = Upon award of the RFP and commencement of the Space/Use Permit, Respondent is permitted to add a 3% "Benefits Fee" to the cost of goods sold, which is not included in the calculation of Percentage of Gross Receipts. Thereafter, upon the opening of each new/redeveloped Unit, the Benefits Fee may be increased to 5% applicable to new/redeveloped Units only and subject to Respondent providing to all Airport employees a 10% discount off the retail price of merchandise sold in each Unit. The increase in the Benefits Fee is effective on the first day of the month following the opening of each new/redeveloped Unit.
7. **Operating Hours:** The Units (and any concepts within Units) must be open and fully operational from 4:00 a.m. to 11:00 p.m., seven days per week with no exception for holidays. These hours of operation may be extended or shortened as approved in writing by the Director as determined by the Director to accommodate security checkpoint, airline schedules or other operational needs. If the Director extends or shortens this required 4:00 a.m. to 11:00 p.m., the Respondent will be given thirty (30) days written notice. In addition, the Director may require the Unit to be open and fully operational in the event of emergency or major disruption of Airport operations.
8. **Tenant Infrastructure Fee:** There will be no Tenant Infrastructure Fee applied to any Unit; the prior retail and duty free concessions contracts included a Tenant Infrastructure Fee levied at the rate of \$1.00 per square foot.
9. **Labor and Employment Requirements:** The successful Respondent must comply with federal, state, local and Port regulations relating to labor and employment. As well, the successful Respondent must adhere to Port policies and contract requirements relating to the Port's proprietary interest in the hiring of qualified and consistent workforce at airport concessions and non-interruption of concession operations. See [Section III](#) of this RFP.

⁵"New" Units are undeveloped spaces not operated by the current retail concessionaires: T1-R-C1-1, T2-R-C2-2 and T2-R-G27.

10. Experience & Qualifications:

- a. The Respondent or its majority partner, must have significant experience operating in an airport environment. At a minimum, Respondent must have operated:
 - i. In a retail concession in at least three airports;
 - ii. In those airports for three continuous years within the last five years; and,
 - iii. At least one airport’s retail operation must have generated at least \$3 million in annual gross sales in at least one of those three years.
 - iv. Businesses without this experience and minimum qualifications are encouraged to partner with an entity(ies) with such experience.
- b. Any Proposal received from a Respondent who does not meet all of the above Experience and Qualifications requirements will be deemed non-responsive.

11. Proposal Evaluation Criteria: The Port will be utilizing the evaluation criteria shown on [Exhibit “H”](#). In addition, outreach efforts to include Small Business, DBE and ACDBE participation will be evaluated by supporting documentation. The SBE outreach efforts will be evaluated on a Pass/Fail basis. Proposals that do not meet the SBE outreach requirement will be rejected ([Exhibit “N”](#)).

12. Strategic Beverage Partnership: The Port is contemplating entering into a strategic beverage partnership – also known as an “Exclusive Pouring Rights Agreement” – with one of the major beverage companies to become the exclusive provider of all (with minor exceptions) non-alcoholic and non-brewed beverages at OAK. The Port would go through the request for proposals process outlined in the Concessions Policy, and if an Exclusive Pouring Rights Agreement is entered into by the Port, the successful Respondent will be required to participate. The Port would provide adequate notice (expected to be at least six months) to successful Respondent to prepare the Units to accommodate the selected strategic beverage partner.

D. Mandatory Pre-Proposal Meeting for Potential Respondents to the 2022 Retail & Duty Free Concession Opportunity Request for Proposals

A Pre-Proposal Meeting will be held on [February 23, 2022 from 1:30p.m. to 3:30p.m.](#) via Zoom (with Zoom contact information found on Page 1 of 4 of the Invitation section). The meeting will provide an opportunity to ask general questions, submit comments and requests for information (RFI) regarding this RFP and its attachments including the Space/Use Permit.

After the Pre-Proposal Meeting, the Port will receive and respond to questions or comments relating to provisions of the RFP and its attachments submitted in writing and received by the Port on or before [March 11, 2022](#). All questions must be submitted in writing to the Airport’s concessions email address at concessions@PortOakland.com. Oral questions, either in person or via recorded voicemail message, will not be accepted.

Port will respond to all relevant questions and RFIs submitted by the deadline above, **via addendum to the RFP** which will be emailed to all prospective Respondents on record as having attended the Mandatory Pre-Proposal Meeting and also placed on the Port’s website. However, it is the Respondents’ responsibility to review all addendum available on the Port’s website and the Port’s failure to send email to the respective Respondents shall not constitute any failure to notice any prospective Respondent of an addendum or any cause for protest or contest of the concession selection. See the “How to Obtain RFP Documents” section for our web address. All addenda must be acknowledged on the RFP Acknowledgement and Signature form.

The Pre-Proposal meeting is mandatory for any party submitting a Proposal. If a Respondent fails to attend the Pre-Proposal meeting, any Proposal submitted by that Respondent will be rejected by the Port. Only direct representatives of potential Respondents will be eligible to register as a Respondent; agents, lobbyists, etc. may not register as a Respondent, but may attend the Pre-Proposal Meeting.

Other Project Requirements

The successful Respondent must comply with and be committed to all Port Policy Requirements described below, including the U.S. Department of Transportation's Airport Concession Disadvantaged Business Enterprise ("ACDBE") Rules, the Port's related ACDBE Program, the Labor Peace Rule detailed in [Exhibit "E"](#), and the Port's Maritime and Aviation Project Labor Agreement detailed in [Paragraph III.F](#) below. The successful Respondent must also comply with all applicable laws, regulations, and requirements governing both the construction and the maintenance/operations of the retail concession opportunity.

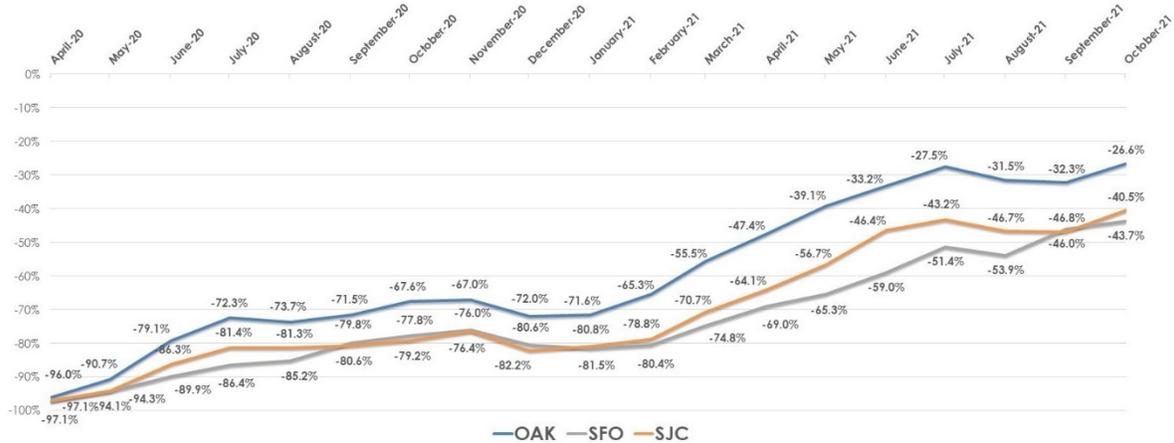
About the Port of Oakland

The Port of Oakland was established in 1927 and oversees the Oakland seaport, Oakland International Airport, Commercial Real Estate, and 20 miles of waterfront. The Oakland seaport is one of the top ten busiest container ports in the U.S. The Port's real estate includes commercial developments such as Jack London Square and hundreds of acres of public parks and conservation areas. Through Port operations and those of its tenants and users, the Port supports nearly 70,000 jobs in the region and over 800,000 jobs across the United States. The Port is an independent department of the City of Oakland.

Oakland International Airport is operated by the Port of Oakland under the Public Trust. The Port of Oakland, which also oversees the Oakland seaport and 20 miles of waterfront, serves as a trustee of these lands under authority granted by the California State Lands Commission. Oakland International Airport is the second busiest passenger and busiest cargo airport in the San Francisco Bay Area. The airport proudly serves all of 101 San Francisco Bay Area cities, towns, and villages. Oakland International is the airport closest to home for most of the Bay Area's resident population. It is also the airport closest to most Bay Area businesses and offers superb access to all of the region's top tourism and entertainment venues by roadway and rail. Amidst polish and continual improvement, it is the vision of the airport to offer a world-class travel experience and become the top choice for leisure and business travelers to and from the Bay Area.

With a strong geographic location, easy accessibility, sustained population increases, and job creation in the East Bay, OAK is expected to recover from the COVID-19 Pandemic and see a growth in passengers in the future. As noted in the graph below, OAK's passenger recovery is outpacing the rates at San Francisco International Airport (SFO) and Mineta San José International Airport (SJC):

Monthly Change in Passengers vs. 2019



Source: 1/ Oakland International Airport; 2/ San Francisco International Airport; 3/ San Jose International; April 2019 – October 20

Exhibit “J-3” details OAK’s Calendar Year 2019 passenger enplanement history plus the adopted passenger enplanement forecasts for Calendar Years 2022 through 2025.

II. SCOPE OF 2022 RETAIL & DUTY FREE CONCESSION OPPORTUNITY

A. Definitions and Specifications: Subject to certain exceptions detailed below, OAK is allowing Respondent the flexibility in choosing the types of concepts for the Units based on the Airport’s Retail Concessions Program (Program), including the mix of local, national, and proprietary concepts.

This section of the RFP contains the description of the retail categories for the Program, including the types of merchandise that could be offered for sale. The types of merchandise by category are not intended to be all-inclusive. OAK is allowing Respondents the opportunity to be creative in determining the types and mix of merchandise, including a strong East Bay theme where appropriate. It should be noted that merchandise prohibited by federal and/or state law will not be allowed to be sold from any Unit, and under no circumstances can marijuana be sold at the Airport.

Respondents should note that OAK would prefer certain retail categories and concepts be branded that are nationally or locally/regionally recognized with an off-airport location. The retail categories and concepts with a preference are indicated below. It is also important the brand name(s) merchandise sold inside the Unit be communicated on the interior and exterior through design and sign bands.

1. Retail General Standards

Throughout the Space/Use Permit Term, the following general standards will be applied to the Program.

- a. For each national name brand or local/regional concept proposed, the quality of the merchandise should be the same as the merchandise at the concept’s street location. OAK expects the national name brand or local/regional concept’s merchandise, in terms of the number and variety of items, to be as close as reasonably possible to the concept’s street location(s).

- b. OAK desires each Unit to be utilized for maximizing customer service and revenues. Therefore, no more than five percent (5.0%) of each Unit can be allocated to storage or office space.
- c. Respondent is expected to present in the Proposal and use the latest technology, especially touchless, to serve customers quickly and efficiently.
- d. Each Unit is expected to be developed for revenue producing purposes. In addition, when designing the spaces, Respondents should be aware of any social distancing requirements with respect to width of aisles and customers queues in order to make customers feel comfortable shopping in the stores.
- e. No Units can be developed for food and beverage services, except for pre-packaged sandwiches, salads, snacks, and bottled/canned beverages as designated by the retail category below.
- f. Successful Respondents will be responsible for providing all capital investment for the spaces in their package including furniture, fixtures, and equipment.
- g. Any concept selling bottled alcoholic beverages for consumption off-airport must offer shipping services at a reasonable cost. The sale and shipment of all liquor must comply with the appropriate liquor laws and ordinances of the City of Oakland and State of California and the liquor laws of the state where alcoholic beverages are to be shipped.
- h. Respondent must offer the same promotions, discounts and loyalty programs; and sell and accept gift cards and frequent buyer cards offered in the concept's street location(s). Customers should not see any difference between the concept's Airport location and its street location.
- i. Respondent must keep up with retail trends, and change product offerings to reflect customer needs and preferences. All changes to product offerings and prices must have the prior written approval of the Director of Aviation.

2. Retail Descriptions by Category

The following detailed Retail Description proscribe the types of merchandise that should and may be sold in the specific Units listed within each section:

a. RETAIL CATEGORY: NEWS/CONVENIENCE STORE

- Units: T1-R-G1 (near Gate 1), 384 SF
- T1-R-C1-1 (Retail Node in T1/T2 Connector), 540 SF
- T2-R-1 (T2 Pre-Security near Checkpoint), 355 SF
- T2-R-G27 (Retail Node across from Gate 27), 100 SF
- T2-R-G29 (Across from Gate 29), 742 SF

The News/Convenience Units are expected to carry reading materials, sundries, pre-packaged snacks, bottled/canned beverages, travel and tech accessories, souvenirs, and other miscellaneous merchandise. Since the majority of the Units are limited in size, the Respondent is expected to focus on convenience store items and travel essentials. In addition, the Respondent is expected to incorporate the latest technology and customer service standards, especially touchless and check-out free technologies. The goal is to elevate the customer service experience and increase through-put, especially during peak travel times of the day.

Since the T2-R-1 Unit is the only pre-security retail Unit in Terminal 2, the Port will allow the Respondent to expand the store's "to-go" food items by offering passengers pre-packaged sandwiches, salads, pastries, donuts, bagels, and healthy food items, as well as freshly brewed coffee, if the design can accommodate.

Descriptions of the types of merchandise to be offered in this Category and in these Units are as follow:

Reading Materials – The reading materials section should consist of newspapers, magazines and books including a selection of local and national newspapers; the top 20 paperback and hardcover books from the New York Times Best Seller list; and an assortment of magazine titles.

Sundries – The sundries section is expected to carry items that passengers may need on their trip or normally carry with them but left at home. Items include aspirin, comb/brush, toothbrush and toothpaste, deodorant, cold tablets, lotion, shaving needs, personal hygiene items, etc.

Pre-Packaged Snacks and Bottled/Canned Beverages – This section is expected to carry pre-packaged snacks such as gum, candy, mints, chips, and a variety of bottled/canned beverages. The size of pre-packaged snacks should include single-sized servings as well as full-sized packages found in grocery and convenience stores.

Travel and High-Tech Accessories – This section is expected to carry the latest in travel accessories and high-tech merchandise. Examples of travel merchandise include neck pillows and blankets, small carry-on bags, and backpacks. Examples of high-tech merchandise include earphones, chargers, connectors, adaptors, and USB drives.

Souvenirs and Other Miscellaneous Merchandise – On a limited basis, these Units can carry Oakland memorabilia and other merchandise unique to the OAK market. Examples of souvenir and gift merchandise include t-shirts and sweatshirts, coffee mugs and shot glasses, and caps and hats.

b. RETAIL CATEGORY: NEWS/CONVENIENCE AND SPECIALTY RETAIL

UNIT: Terminal 1: T2-R-G24, 1,200 SF

The space is expected to be developed as a News/Convenience store featuring Specialty Retail in store-within-a-store concepts/sections.

Descriptions of the types of News/Convenience to be offered in this Category and in this Unit are as follow:

Reading Materials – The reading materials section should consist of newspapers, magazines and books including a selection of local and national newspapers, the top 20 paperback and hardcover books from the New York Times Best Seller list, and an assortment of magazine titles.

Sundries – The sundries section is expected to carry items that passengers may need on their trip or normally carry with them but left at home. Items include aspirin, comb/brush, toothbrush and toothpaste, deodorant, cold tablets, lotion, shaving needs, personal hygiene items, etc.

Pre-Packaged Snacks and Bottled/Canned Beverages – This section is expected to carry pre-packaged snacks such as gum, candy, mints, chips and a variety of bottled/canned beverages. The size of pre-packaged snacks should include

single-sized servings as well as full-sized packages found in grocery and convenience stores.

Travel and High-Tech Accessories – This section is expected to carry the latest in travel accessories and high-tech merchandise. Examples of travel merchandise include neck pillows and blankets, small carry-on bags, and backpacks. Examples of high-tech merchandise include earphones, chargers, connectors, adaptors, and USB drives.

Pre-Packaged Freshly-Made Sandwiches, Salads, Pastries, Donuts, Bagels, and Healthy Food Options – The Respondent is expected to carry an assortment of freshly-made pre-packaged sandwiches and salads and health food options. Examples of healthy food options (including gluten-free, vegetarian and vegan) and snacks appealing to children include hummus and crackers/pretzels, yogurt, fresh fruit, Jell-O and fruit cups, vegetables, and cheese sticks. The Respondent will not be permitted to prepare, package/assemble or cook any of the items within this Unit.

Souvenirs and Gifts – The Unit is expected to carry Oakland/East Bay memorabilia, including merchandise made in the Oakland/East Bay area unique to the OAK market. Examples of souvenir and gift merchandise include t-shirts and sweatshirts, coffee mugs and shot glasses, cactus gardens, wind chimes, children's toys and games, candles and candles holders, hand painted tiles and coasters, picture frames, and caps and hats.

Specialty Retail – The types of specialty retail the Respondent may want to consider in its concept plan include the following: chocolates/candy; cosmetics, perfumes, and skin care products; fashion jewelry; sunglasses/watches; women's/men's clothing and accessories; and contemporary art and local/regional crafts. Descriptions of some of the possible specialty retail concepts are as follow:

Chocolates/Candy - It is the Port's preference that this section be a local/regional or national brand name specialty confection concept that sells a variety of chocolates and/or candy, including bulk and pre-packaged. The concept may include one or more of the following types of confections: chocolates, caramels, toffee, fudge, hard and soft candies, brittle, jelly candies, licorice, peanut bars, mint candies, truffles, candy apples, chocolate covered strawberries, taffy and flavored popcorn. In addition, the concept is expected to carry sugar free confections.

Cosmetics, Perfumes and Skin Care Products – It is the Port's preference that this section be a national or local/regional branded concept selling a variety cosmetics, perfumes, and skin care products. Examples of national brand names are MAC, Kiehl's, L'Occitane, Bath and Body Works, and Clinique/Estee Lauder.

Fashion Jewelry – It is the Port's preference that this section be a national or local/regional branded concept featuring quality fashion jewelry. Jewelry can be made from a variety of metals and other material and incorporate semi-precious stones. At a minimum, the merchandise should include necklaces, earrings, pendants, rings, bracelets and charm

Sunglasses and Watches – It is the Port's preference that this section be a national or local/regional branded concept selling a selection of fashion,

designer, and sports sunglasses and watches, i.e., Ray-Ban, Oakley, Oliver Peoples, Persol, Maui Jim, Burberry, Coach, Warby Parker, etc.

Women's/Men's Clothing and Accessories – This section would be expected to carry the latest in men's and/or women's casual wear, sportswear and/or athleisure wear. It is the Port's preference that the space be a national brand name store and/or carry nationally branded merchandise. The brands inside the Unit would have to be immediately recognized and communicated to travelers as they look at the store by way of exterior signage and graphics. The types of merchandise in these categories include tops, shirts, leggings, work-out wear, socks, underwear/shapewear, pants, jeans, sweaters, footwear, dresses, scarves, fashion accessories, related personal care and skincare products, etc.

Contemporary Art and Local/Regional Crafts - This section would be expected to feature unique, contemporary art and local/regional crafts. The merchandise is expected to be of high quality. Merchandise may include ceramics, original hand paintings and watercolors, prints, photography, exotic woods, colorful art glass, unique handcrafted jewelry, and sculptural works. Artists and craftspeople from the East Bay Area should be featured, as well as other U.S. and international artists.

c. RETAIL CATEGORY: HIGH TECH SPECIALTY RETAIL

UNITS: T2-R-C2-3 (Past Gate 25; current location of InMotion + additional square footage), 715 SF

This new/expanded prime location has been identified exclusively for a High Tech Specialty Retail concept, based on the following:

High-Tech - The Unit would be expected to carry a variety of the latest in consumer electronics and accessories for entertainment, information, and education. The high-tech category consists of hardware and accessories with national name brand recognition. Merchandise in the hardware category include laptop computers, tablet computers, mobile phones, and wearable processing devices such as smartwatches. Merchandise in the accessories category includes headphones, earphones, keyboards, speakers, chargers, cables and connectors, adaptors, portable memory storage devices, SIM cards, battery back-ups, covers for mobile devices, screen protectors, and pre-paid/disposable phones.

The Respondent is expected to keep up with trends and feature the latest in consumer electronics and offer an in-store experience that allows customers to try-out products and participate in live product demonstrations. Sales personnel are expected to have the skills and knowledge related to the products offered in the store.

B. Development/Reconstruction of 2022 Retail & Duty Free Concession Opportunity Units

1. This RFP concession opportunity involves the:

a. Development and reconstruction of four existing Retail Concession Units, one Unit in Terminal 1 and three Units in Terminal 2:

| | | | |
|------------------|-------------------|--------|---------|
| News/Convenience | T1 – Gate 1 | 384 SF | T1-R-G1 |
| News/Convenience | T2 – Pre-Security | 355 SF | T2-R-1 |

| | | | |
|------------------|--------------|----------|----------|
| News/Convenience | T2 – Gate 24 | 1,200 SF | T2-R-G4 |
| News/Convenience | T2 – Gate 29 | 742 SF | T2-R-G29 |

- b. Development and construction of an expanded/new Specialty Retail Concession Unit in the connector concourse between Gates 25 and 26:

| | | | |
|----------------------------|-------------------|--------|-----------|
| High Tech Specialty Retail | T2 – Past Gate 25 | 715 SF | T2-R-C2-3 |
|----------------------------|-------------------|--------|-----------|

- c. Development and construction of two Automated Specialty Retail (“ASR”) Nodes; one each in Terminal 1 and 2. After construction, Respondent may operate the ASR Nodes by installing ASR kiosks or subletting the operation of the ASR kiosks to a third party, or Respondent may return the constructed ASR Nodes to the Port who will then manage through a third-party vendor or vendors.

| | | | |
|----------|-----------------|--------|-----------|
| ASR Node | T1/T2 Connector | 540 SF | T1-R-C1-1 |
| ASR Node | T2 – Gate 27 | 100 SF | T2-R-G27 |

2. The Respondent will be expected to redevelop completely the existing space on an expedited schedule that will allow for the opening of the Unit as soon as practical to the traveling public, employees and other users of the Airport. A proposed Phasing Plan, including a construction and phasing schedule, is a requirement of this RFP and see [Section IV. TAB B 5](#).
3. The requirements for conceptual design and construction plan review are contained in the Tenant Design Standards (revised as of 02/01/2022) (incorporated into this RFP as a separate document).
4. The Port’s Environmental Programs & Planning Division has compiled a list ([Exhibit “K”](#)) of environmental reports covering the building at the Airport where the Unit is located.
5. Storage and Support Spaces:
 - a. There are storage and support areas that will be assigned and incorporated into the Space/Use Permit. Additional storage space may be available and may be leased under a separate agreement from the Space/Use Permit for a month-to-month term under the Port’s standard form of agreement for this type of space, which may be updated from time-to-time by the Port. There is no assurance that the terms of such short-term agreement will be extended.
 - b. Storage and support space will be subject to a rental payment. The current Airport rental rate of Category VIII – Concessions Storage for FY2021-22 – is [\\$4.596](#) per square foot, per month. The annual rental rate will be subject to adjustment each year effective October 1st, with the annual adoption of the Airport Rates and Charges.
6. Square Footage Information: Respondent should refer to the space exhibit attached as [Exhibit “B-1”](#) when preparing facility plans and conducting its due diligence with respect to this RFP. The Concession Units shown on [Exhibits “A-1”](#) and [“A-2”](#) are not drawn to scale and should be used only as a general indicator of Unit location.
7. Delivery Information: In anticipation of future security requirements for screening concessions goods to be delivered to airside locations, the Port has earmarked two loading docks for the centralized receiving, storing, and subsequent distribution of goods to airside (post-security) locations for secured transport to the Terminal. Requirements for security screening of employees and goods are established by the

Department of Homeland Security and may be changed from time to time. Concessionaires shall be responsible for complying with these requirements or any future requirements as well as any associated costs.

8. Minimum Investment Requirements:

a. Costs of Design and Construction: The successful Respondent, at its cost, will be responsible for the design of its facilities, and for the acquisition of all necessary approvals and permits, construction, and financing. As part of this process, the successful Respondent will be required to coordinate its activities with other airport tenants, contractors, and the Port so that the successful Respondent's work will not interfere with or cause a delay in any other construction activities authorized by the Port.

b. Capital Investment Commitment:

i. Concession facilities at the Airport will be subject to intensive use every day of every year of the term. Therefore, the Port desires that facilities be not only attractive and functional but also constructed with high-quality finishes and materials that are durable and capable of handling continual use by passengers with their baggage.

ii. A minimum initial investment requirement of \$500 per square foot has been established. Of this amount, not less than 85% must be expended on construction "hard costs" of materials, direct labor, equipment, finishes, signage, lighting, HVAC, and other construction costs exclusive of "soft costs" of design, engineering, construction supervision, permitting, specialist consultants, overheads, corporate construction administration, and other fees. Respondent should be aware that construction will need to take place largely in areas that are subject to tight security restrictions and that are within a busy working Airport. Respondent is encouraged to obtain experienced professional advice with regard to the cost and challenges of constructing improvements at the Airport, and to familiarize itself with the requirements of the Port. The Port will not be responsible for costs that exceed the minimum investment requirement.

iii. The Respondent will be required to document its construction costs and submit the final documentation to the Port. In order to ensure that the committed investment is made, the Respondent will be required to pay the Port any difference between the minimum capital investment proposed by Respondent and the actual costs of construction.

c. Mid-Term Refurbishment:

i. A Mid-Term Refurbishment minimum of \$75 per square foot is also required. This is a firm commitment to reinvest in the facilities and update and upgrade to reflect current needs and demands (as of August 1, 2028). The Mid-Term Refurbishment minimum is not for ordinary or deferred maintenance, which is an ongoing requirement, but a commitment to provide additional capital investment to update and upgrade facilities, finishes and other amenities.

ii. The Mid-Term Refurbishment requirement, which is an obligation to be satisfied beginning August 1, 2028 and to be completed no later than October 31, 2028, is subject to prior consultation and approval by the Port.

- iii. To guarantee that funds are available to complete the Mid-Term Refurbishment, Respondent will be required to pay into a Refurbishment Fund, as more fully described in Paragraph E.2.(c) of the Space/Use Permit.

C. Management and Operations

The Units must provide contemporary, healthful and popular retail offerings in a setting that defines a "sense of place" identified as Oakland, the East Bay, San Francisco Bay Area, Sonoma/Napa Valley, and Northern California. It is expected that the Units will also provide retail merchandise from local/regional brands with store-within-store or feature walls showcasing merchandise which similarly conveys "sense of place". The Units must maintain appropriate personnel to provide expedient and courteous service at the highest standard of similar retail establishments. The Units must be constantly maintained to the highest standards and must also be adequately refurbished and renovated at least one time approximately at the midpoint of the term, as set forth in the Mid-Term Refurbishment Section II.B.8.c.ii above and in the Space/Use Permit. The successful Respondent will take all measures, to the fullest extent provided by law, to avoid disruption of service and ensure continuity of operations, including by adhering to the Labor Peace Rule ([Exhibit "E"](#)).

D. Financial Offer and Investments

1. This concession opportunity involves the development, construction, reconstruction and operation of Retail Units within the Terminal Complex at the Airport at the sole cost of the successful Respondent.
2. The rental structure is defined in [Section I.C.3.](#), above. The Port will not accept any Proposal that offers an alternative rental structure; such Proposal will be rejected from consideration.
3. The Port shall not be responsible for any costs associated with the financing, design, construction, installation, operation, maintenance, or any required upgrades to facilities throughout the term of the Space/Use Permit.

E. Projected Timeline and Space/Use Permit

1. Submission of a Proposal will confirm that the Respondent fully understands the provisions of the Space/Use Permit and will execute such Space/Use Permit if awarded the concession opportunity. The Space/Use Permit shall be effective upon approval by the Board, execution by the Executive Director and approval as to form and legality by the Port Attorney (the "Effective Date").
2. The successful Respondent is expected to take possession the Units as of October 1, 2022 (the "Commencement Date"), to immediately implement its construction phasing plan as described in its Proposal, sequentially construct and open Units, and to complete construction and begin operation of the final Unit no later than May 1, 2024. The overall term of the Space/Use Permit will consist of:
 - a. An Interim Term for finalizing design, gaining approvals and permits, and completing construction as of through September 30, 2023; and,
 - b. A Primary Term of Nine (9) years + Nine (9) months (October 1, 2023 through September 30, 2034).
3. Rent shall be calculated as follows:
 - a. During the Interim Term:

- i. During design and construction of the Unit, the successful Respondent will pay only Percentage Rent.
 - ii. When the Unit is completed and operational, the successful Respondent will pay the greater of MAG or Percentage Rent.
- b. The Primary Term begins on October 1, 2023. The first year's MAG for each Unit shall commence, whether or not construction on the Unit has been completed and/or the Unit is open for business. The rent shall be the greater of MAG (adjusted annually) or Percentage Rent for the remainder of the Primary Term.
- c. Liquidated Damages: In the event any Unit does not open for operation as required pursuant to the schedule, liquidated damages in the amount of \$500 per day will be imposed.

III. PORT POLICY REQUIREMENTS

The selected Respondent must comply with the following Port Policy Requirements:

A. Labor Peace Rule

The successful Respondent must fully adhere to the Labor Peace Rule attached as [Exhibit "E"](#) to this RFP and as set forth in [Section 6 of Attachment "A" to the Space/Use Permit](#), which requires, among other things, that the successful Respondent provide evidence of a Labor Peace Agreement prior to executing the Space/Use Permit. All Respondents must complete **Attachment 4** (Statement of Adherence to Labor Peace Rule) and return it with their Proposal.

B. Airport Concession Disadvantaged Business Enterprise (ACDBE) Program

The successful Respondent is subject to the requirements of the U.S. Department of Transportation's regulation 49 Code of Federal Regulations (CFR) Part 23 (the "ACDBE Rules") that it shall not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. The successful Respondent shall comply with all of the nondiscrimination requirements contained in the Space/Use Permit.

The Port is currently administering a race-neutral Airport Concession Disadvantaged Business Enterprise (ACDBE) program requiring good faith efforts to reach its race-neutral goal, but the Port is not establishing a contract-specific goal for this concession opportunity. The Port's overall goal for federal fiscal years 2020-2023 is 12.2%. The Port expects to meet its ACDBE participation goals entirely through race-neutral means. The Port encourages all Respondents to take active race/gender neutral steps to include ACDBE's, including but not limited to local ACDBE's, in this concession opportunity. Race/gender neutral steps include: unbundling large contracts, subcontract work the Respondent may self-perform, providing capital and bonding assistance, business development programs and providing technical assistance. To facilitate the Port's compliance, each Respondent must in its Proposal identify those subcontractors or suppliers that are certified disadvantaged business enterprises under the ACDBE Rules, the percentage of each ACDBE's participation and each ACDBE's certification number. Specifically, examples of ACDBE businesses that could partner with the Respondent:

1. Retail Franchisees/Operators

2. Retail Product Suppliers
3. Janitorial Services
4. Insurance Carrier

The Port is required to report ACDBE accomplishments to the FAA, Part 23 - Uniform Report of ACDBE Participation) annually.

The successful Respondent will be required to submit quarterly ACDBE attainment reports and letter (herein attached as **Attachments 5-A, 5-B, 5-C and 5-D**). The successful Respondent shall carry out applicable requirements of the ACDBE Rules. Failure by the successful Respondent to carry out these requirements will be a material breach of the Space/Use Permit, which may result in the termination of the Space/Use Permit or such other remedy as the Port deems appropriate.

The successful Respondent shall cooperate with the Port in meeting its commitments and objectives with regard to ensuring nondiscrimination in the award and administration of the Space/Use Permit and shall use its best efforts to ensure that barriers to participation of ACDBEs do not exist. In order for the participation to count toward ACDBE attainment, Respondents and/or its subcontractors must be certified as of the date of Proposal opening by an authorized agency of the California Unified Certification Program. Please use the following link to learn more about how to certify firms:

www.dot.ca.gov/hq/bep/business_forms.htm

C. First Source Hiring

The Respondent understands and agrees to utilize the Port's "First Source Hiring" program as set forth in Resolution No. 18-32 ([Exhibit "F"](#)) to make a good faith effort to hire residents from the Port's local impact area (Oakland, Alameda, San Leandro and Emeryville) and those who face barriers to employment. The successful Respondent will partner with local workforce development agencies (as determined by the Port) as referral agencies for hiring. The successful Respondent will provide upfront notice of job openings to these agencies and exclusively consider applicants from these agencies for five (5) business days before recruiting elsewhere. Upon the exhaustion of the referrals from these agencies, the successful Respondent may then recruit candidates on their own.

D. Fair Chance Hiring

The Respondent understands and agrees to the Port's commitment to non-discrimination in hiring and supports the creation of employment opportunities for local residents with barriers to employment, including individuals who have had former involvement in the criminal justice system, as set forth in the Port's Fair Chance Hiring Program set forth in Resolution No. 18-32 ([Exhibit "F"](#)). Fair Chance Hiring or ban the box prohibits discrimination against qualified applicants based upon their criminal history. The successful Respondent shall comply with all federal and state laws related to fair chance hiring, including California AB 1008. In addition to complying with these laws, the Port requires that permittees that employ two (2) or more employees may not inquire about or investigate an applicant's criminal history until a conditional offer of employment is made. The successful Respondent may only consider convictions directly related to job requirements. The successful Respondent also may not disqualify an applicant who has received a conditional offer of employment that meets the Port's policy requirements and the badging requirements of the Transportation Security Administration and Customs and Border Patrol based upon prior criminal history that is not directly related to the job requirements.

E. Labor Pool Policy

As a material term, covenant and condition of presenting a Proposal, Respondent agrees to comply with the Airport Labor Pool Program adopted pursuant to Resolution No. 15-056 ([Exhibit "G"](#)).

F. Living Wage Policy

On March 5, 2002, the voters in the City of Oakland voted to add City Charter Section 728 ("§728") entitled "Living Wage and Labor Standards at Port-assisted Businesses." §728 requires Port Aviation and Maritime businesses that employ more than 20 employees working at the Port to pay all nonexempt employees a Living Wage rate established by City Ordinance. The current Living Wage rate, which is adjusted annually, as of July 1, 2021 is at least \$15.30 with credit given to the employer for the provision to covered employees of health benefits, and \$17.56 without credit for the provision of health benefits. §728 also establishes a worker retention policy, requires covered employers to submit quarterly payroll reports and requires covered employers to allow Port representatives access to payroll records in order to monitor compliance and labor organization representatives access to workforces during non-work time and on nonwork sites. Additionally, Port Ordinance No. 3666 as amended by Port Ordinance No. 3719 requires Port contractors to additionally provide their employees with a minimum of 12 compensated days off per year ("Port Living Wage Ordinance"). The successful Respondent, unless exempt under §728, must comply with §728 and the Port Living Wage Ordinance and any successor ordinance. When a contract is awarded, the Respondent will be required to fill out the attached Employer Self-Evaluation for Port of Oakland Living Wage Form ([Attachment 7-A](#)) and Certificate of Compliance—Living Wage ([Attachment 7-B](#)) and return them to the Social Responsibility Division. (i.e., do not include these forms in with your Proposal). For more information, please call Donna Cason in the Port of Oakland's Social Responsibility Division at (510) 627-1252.

Respondent shall acknowledge reviewing the Port's Living Wage program and compliance, by submitting the Statement of Living Wage Requirement ([Attachment 8](#)) with its Proposal.

G. Prevailing Wages License and Sub-contracting Requirements

Respondents submitting a Proposal for a "public works" project (defined below) are required to pay prevailing wages pursuant to California Labor Code, Section 1720, et seq, and to abide by all subcontracting and subletting practices as defined by California Public Contract Code section 4100 et seq., and to abide by any Contracting Licensing requirements as defined by California Business and Profession Code. All Contractors performing work on Port property are required by law to be licensed and regulated by the Contractors State License Board. California Labor Code Section 1720, (a)(1) provides that the term "public works" means:

Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by any public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

General prevailing rate of per diem wages in the locality in which the work is to be performed for each craft, classifications or type of worker needed to execute the contract, including employer payments for health and welfare, pension, vacation, apprenticeship and

similar purposes is available at the Department on Industrial Relations Internet site accessible at www.dir.ca.gov/DLSR/statistics_research.html.

The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work shall be at least time and one half.

It shall be mandatory upon the Contractor to whom the contract is awarded, and upon any subcontractor under him, to pay not less than the specified rates to all workers employed by them in the execution of the contract. It is the Contractor's responsibility to determine any rate change, which may have or will occur during the intervening period between each issuance of published rates by the Director of Industrial Relations.

In addition, any Contractor or Subcontractor performing Public Works for this project must be registered with the Department of Industrial Relations pursuant to Labor Code § 1725.5 (with limited exceptions from this requirement for bid purposes only under Labor Code § 1771.1(a)).

No Contractor or Subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code s§ 1725.5.

The Port has adopted an electronic monitoring system to satisfy certain certified payroll reporting requirements. The successful Respondent will be required to utilize the Port of Oakland's Web Accessed Monitoring System (WAMS) to satisfy said requirements. Weekly certified payroll reports must be input into WAMS within one (1) week after a subject payroll date. All firms are required to register with Elations Systems to submit certified payroll reports. Instructions for using Elations Systems will be given to the selected Respondent. There is no associated cost to use WAMS.

H. Maritime and Aviation Project Labor Agreement (MAPLA):

The Port is party to the Maritime and Aviation Project Labor Agreement (MAPLA) with the Building and Construction Trades Council of Alameda County, AFL-CIO and its affiliated unions, effective February 1, 2016. The MAPLA covers construction contracts within the Port's maritime and aviation areas, whether funded by the Port or by tenants, subject to limited exceptions. MAPLA will apply to all construction activity (as described in MAPLA Article 2 (Scope of Agreement)) performed in connection with this concession opportunity. In general, MAPLA requires obtaining workers referred through the applicable union hiring hall, complying with the Uniform Substance Abuse Prevention Policy, contributing to the Social Justice Labor Management Cooperation Trust Fund, utilizing apprentices and/or local hires, and complying with other uniform work rules and standards.

Respondents should review and be familiar with the terms of the MAPLA. Copies of MAPLA documents are available at www.portofoakland.com/port/social-responsibility/programs/.

I. Insurance Requirements

All Respondents who plan on submitting a Proposal in response to this RFP must meet the Port's Insurance requirements incorporated into the Space/Use Permit (**Attachment 12**) and must provide proof of insurance at the time of award of this concession opportunity. Respondents must include a statement (**Attachment 10**) with their Proposal agreeing to the Port's insurance requirements and indicate they will be able to obtain the proper insurances at the time of award of this concession opportunity.

J. California State Liquor License:

Respondent or its proposed joint venture partner or subtenants must meet the State of California’s requirements for the package sale of alcoholic beverages.

K. Port Sustainability Policy:

The Board has adopted Resolution No. 20467: Resolution Implementing Port Sustainability Policy (the “Policy”) ([Exhibit “C”](#)). All operations throughout the Port, including food, beverage, retail and duty free concessions should be guided by this Policy, including completion and submittal of the Sustainable Opportunities Assessment Form attached as [Exhibit “2”](#) of the Space/Use Permit. In addition, the Port requires Respondent to adhere to the Port’s Green Concessions Policy as detailed on [Exhibit “12”](#) of the Space/Use Permit.

IV. SUBMISSION REQUIREMENTS

A. Respondent must organize its Proposal into the following sections. Each section should be delineated by a divider with a tab labeled appropriately, and each subsection should have a tab. Proposals should be sturdily bound in a three-ring binder. All sheets should be letter size (8½” × 11”) with the exception of renderings, which should be on 11 × 17 inch-sized paper folded to letter size. All sheets must have a page number. Tabs A through G should indicate the main tab number and page number, e.g. A-1, B-1, etc.

Subject to the terms and conditions contained in [Attachment 11](#), the Proposal Deposit, in the form of a Cashier’s Check, in the amount of \$50,000 should be placed in an envelope and attached to the inside cover of the Proposal marked “Original”.

General Information Tab

1. Cover Letter including the following information on the first page of the letter.
 - a. Name of Respondent. If Respondent is a Joint Venture, or will form a Joint Venture, then indicate all Partners and each Partner’s percentage ownership interest in Joint Venture.
 - b. Names of all Sublessees, if any.
 - c. Provide table listing names of any/all concepts within the Unit. The list should include square feet; name of concept; type of concept by indicating one of the following: local/regional, national brand or proprietary concept; and name of entity operating concept and state the relationship between operator and concept; see [Exhibit “I-1”](#), complete in Excel format (forms in Excel to be posted separately on the Port’s website).
2. Table of Contents for entire Proposal with page numbers
3. Required Attachments to be completed by Respondent and included in [this Tab](#) are (See [Section IV.B](#) for additional Required Documents to be submitted):

| Attachment | Title |
|-------------------|--|
| 1 | Non-Collusion Declaration |
| 3 | RFP Acknowledgement and Signature Form |
| 10 | Insurance Acknowledgement Statement |
| 11 | Proposal Deposit |

Tab A – Proposed Concepts:

1. Description of each concept(s) proposed within the Unit (e.g., if Respondent plans to incorporate a Store-within-a-Store design). Respondent’s reasons for choosing concept and each concept’s appropriateness to the Airport and its passengers, also considering the Airport’s location in the Bay Area, and the Port’s desire to express a “sense of place” by showcasing local products and merchandise.
2. Copies of license or franchise agreements for each concept licensed and/or franchised by Respondent and/or Respondent’s Subtenant(s), if any; and/or letter of intent from concept owner.

Tab B – Design and Quality of Tenant Capital Improvements, Including Construction Phasing Plan

1. Three architectural full-colored renderings (11” × 17”) for the Unit.
 - a. Exterior Elevation– overall design of storefront to include color scheme, materials, signage and graphics, lighting, etc.
 - b. Interior Elevation – overall design to include color scheme, materials (e.g., flooring, walls, ceiling, etc.), lighting, counters, placement of merchandise displays, racks and shelving, design of Grab-and-Go refrigeration units, etc.
 - c. Layout of Interior – indicate location of access and egress routes, service counters, furniture and fixtures, POS stations, customer queuing areas, customer circulation areas, storage areas, etc.
2. Color photographic copies of material boards for the Unit, detailing the type, character and composition of the materials to be used in construction. The photographs should include lighting fixtures, furniture, display units, etc.
3. Color photographs of same concepts or similar facilities at other airports or non-airport locations.
4. Brief narrative describing approach to sustainability and conservation in designing and reconstructing the Unit.
5. Timeline showing a construction phasing plan for the Unit and narrative describing approach to expedite the construction process, minimize disruption to customer service and maximize sales.
6. Indicate compliance with the Tenants Design Standards. If there are any deviations, specifically mark on drawing and provide detailed explanation for deviation.

Tab C – Management, Marketing and Operations Plans for Respondent and Respondent’s Subtenants, if any

1. Management Plan
 - a. Staffing Plan
 - i. Organization Chart for the proposed operations, including all personnel to be involved in all aspects of the operations. The staffing plan should include Subtenants, if any. The Organization Chart should include names, titles, and responsibility.
 - ii. Weekly Staffing Plan for the Unit. The Staffing Plan should include opening and closing times and hours worked by each employee by title/position; see

[Exhibit "I-3"](#); complete in Excel format (forms in Excel to be posted separately on the Port's website).

- iii. Resumes for proposed on-site general manager and any other key team management staff. If there are Subtenants, then Resumes should also be provided for the on-site general manager.
 - b. Describe recruiting and training programs, including plan for complying with Port's Labor Pool, First Source and Fair Chance Hiring requirements.
 - c. Describe employee incentives for retaining and motivating staff, including leadership and career advancement opportunities, and employee recognition programs.
 - d. Describe customer service programs and methods to continuously monitor customer service to ensure high standards are maintained.
 - e. Provide policy for handling customer complaints.
 - f. Provide policy for handling emergency situations; e.g., flight delays resulting in higher number of passengers in the terminal for longer periods of time that may require extending operating and replenishing stock.
2. Marketing Plan
- a. Describe use of social media to promote concept(s)
 - b. List promotions and discounts attributed to customer loyalty programs, Airport and Respondent's employees, military, etc.
3. Operations Plan
- a. Describe use of technology to improve customer service.
 - b. Describe approach to sustainability, conservation, compositing and recycling (specifically, address requirements of the Green Concessions Program).
 - c. Describe facility and equipment maintenance plan, which includes normal repairs and maintenance, frequency of cleaning, trash removal, and equipment maintenance and replacement plan.
 - d. Describe physical security of unit, inventory and cash controls. Identify POS system(s) that will be used.
 - e. For concepts licensed or franchised, describe in detail the participation of concept owner in the operations of the Unit.
 - f. Describe in detail the roles and responsibilities of each Joint Venture Partner, if any, in the day-to-day operations of each Concession Unit.

Tab D – Experience and Qualifications of Respondent and Respondent's Partners (Joint Venture and/or Subtenants), if any

1. Describe experience in the airport concessions industry. The information should disclose the name of the entity the information is provided for and should also be provided for each subtenant (if any).
 - a. Number years' airport concessions experience, highlighting retail concessions;
 - b. Names of current airports entity is operating at, including number of years operating at each airport (including information about operations at OAK); and,

- c. List five largest airport concessions programs currently managed by entity, including name of airport, number of enplanements, number of concessions square feet operated, total number of Units operated, names of concepts, annual gross sales for each year CY2016-CY2021, and annual rent revenues paid to each airport.
2. Describe experience in the concessions industry for off-airport locations, if any. The information should disclose the name of the entity the information is provided for and should also be provided for each subtenant.
 - a. Number years' experience in the concessions industry, highlighting retail concessions
 - b. Names of current establishments entity is operating at, including number of years operating at each establishment
 - c. List five largest concessions programs currently managed by entity, including name of concept(s), address/location, number of retail square feet operated, total number of Units operated, annual gross sales for each year CY2016-CY2021, and annual rent revenues paid.
3. Provide three references. The information should include name of contact/landlord, name of airport or venue where operations are located, address, telephone number and email address.
4. Describe experience operating multiple Units.
5. Describe experience managing subtenants (if Proposal will have a subtenant).
6. If applicable, complete and include in the Proposal: [Exhibit "M"](#) for subtenants or JV Partners who may be a "Small Business".

Tab E – Proposed Business Plan

1. For each lease year (first lease "year" is January 1, 2024 through December 31, 2024; thereafter, each lease year will be a calendar year) and in the aggregate, the following financial information should be provided for the Unit. In addition, provide assumptions and specific examples of other concepts or similar facilities operated by Respondent and Respondent's Partners (Joint Venture and/or Subtenant), if any, to support projections; complete [Exhibit "I-7"](#) in Excel format (forms in Excel to be posted separately on the Port's website).
 - a. Projected Ten-Year Gross Sales, Sales per Square Foot, and Sales per Enplanement; see [Exhibit "I-4"](#); complete in Excel format (forms in Excel to be posted separately on the Port's website).
 - b. Projected Ten-Year Rent Revenues; see [Exhibit "I-5"](#); complete in Excel format (forms in Excel to be posted separately on the Port's website).
 - c. Projected Ten-Year Pro Forma Financial Statements; see [Exhibit "I-6"](#); complete in Excel format (forms in Excel to be posted separately on the Port's website).
2. Documentation of Respondent's and Respondent's Joint Venture and Subtenant Partners', if any, financial capability to fund internally and/or finance proposed Capital Investment. The documentation should include latest audited financial statements and/or letter of intent from a financial institution.
3. In considering the financial responsibility of a Respondent, the financial condition of a third party will not be considered unless such third party signs the Proposal as a Guarantor and agrees that if the Respondent is the successful Respondent, it will

execute and deliver to the Port the Guaranty included as [Exhibit 16](#) of the Space/Use Permit attached as [Attachment 12](#).

4. Proposed amount of initial and mid-term Capital Improvements for the Unit. Provide a table showing the breakdown of Capital Improvements by the following components; see [Exhibit "I-2"](#); complete in Excel format (forms in Excel to be posted separately on the Port's website):
 - a. Hard costs – total amount to be expended for improvements, exclusive of architectural, engineering and any in-house construction and design fees.
 - b. Soft costs – total amount to be expended for architectural, design, consultants, engineering, program management and construction related fees.

Tab F – Required Statements and Information

1. Debarment Statement: Provide a written statement that your Company has not been debarred from providing services to or developing projects for any State, Federal Agency, local government or airport authority within the last five (5) years. Sign and date your statement. If your Company has been debarred, you will need to provide background information and reason for the debarment. Provide the name and contact information for the agency that debarred your Company. The Port must review the reason and duration for the debarment before it can determine if your Company can be considered for this concession opportunity.
2. Litigation Information: Provide information describing any litigation, arbitration, investigations, or any other similar actions that your Company, the principals, the directors, and employees have been involved in during the last five (5) years relating to your Company's projects. Please list (a) name and court case identification number of each case, (b) jurisdiction in which it was filed, and (c) outcome of litigation (e.g., whether the case is pending, a judgment was entered, a settlement was reached or the case was dismissed). The Port will review the reason and timing of the action before it can determine if your Company can be considered for this concession opportunity. Failure to provide the litigation information may disqualify your Proposal.

Tab G – Exceptions to Form of Space/Use Permit

The successful Respondent shall execute the Port's Space/Use Permit, as substantially set forth in this RFP. Please specifically describe any exceptions to any written term within this Space/Use Permit, the rationale for such exceptions, and proposed alternative language. If Respondent has no exceptions to this Space/Use Permit, then Respondent should make an affirmative statement stating it has no exceptions.

- B. Small Business & ADCBE Outreach:** Documentation of Respondents' outreach efforts to include participation of Small Business and ACDBEs will be evaluated as further detailed in [Exhibit "N"](#) – Airport Concession Disadvantaged Business Enterprise Program and Small Business Enterprise Race and Gender-Neutral Clause. Respondent will be evaluated on a pass/fail basis. If Respondent fails to conduct these outreach efforts to SBEs, the Port may determine that the Respondent's Proposal is nonresponsive.

Required Attachments to be completed by Respondent and included in this submittal are (See [Section IV.A.3](#) for addition Required Documents to be submitted):

| Attachment | Title |
|-------------------|---|
| 2 | Statement of Equal Employment Opportunity |
| 4 | Statement of Adherence to Labor Peace Rule |
| 6 | Disadvantaged Business Enterprise Program Affidavit |
| 8 | Statement of Living Wage Requirements |

In addition, complete and include in the Proposal: Exhibit "M" for "Small Business" and charts and forms from Exhibit "N" from the "Airport Concession Disadvantaged Business Enterprise Program and Small Business Enterprise Race and Gender-Neutral Clause.

IMPORTANT NOTE: The attachments, information, forms and/or documents required by this Section IV.B must be submitted together with the Proposal, but separately bound and in a separate envelope; in addition, all this information should be downloaded onto a separate USB drive.

C. Adherence to Port Policy Requirements: The Respondent must fill out all the forms included in this RFP (listed under the "Attachments" section and marked with a "Yes" in the column titled "Must Be Returned with Proposal"), and return them with your Proposal. By returning the listed forms, your Company is supporting and agreeing to the Port's Port Policy Requirements (listed in [Section III](#) (Port Policy Requirements).) Failure to provide any of the forms listed in this RFP may result in your Proposal being rejected for non-responsiveness.

V. EVALUATION CRITERIA

Prior to award of these concession opportunities, the Port must be assured that each Respondent selected has all of the resources required to successfully perform under the Space/Use Permit. This includes, but is not limited to, personnel with skills required, equipment/materials, and financial resources sufficient to provide services and develop the retail concession opportunity. If during the evaluation process the Port is unable to be assured that each Respondent will be able to perform under the Space/Use Permit if awarded, the Port has the option of requesting from the Respondent any additional information that the Port deems necessary to determine the Respondent's capabilities. If such information is required, the Respondent will be notified and will be permitted five (5) working days to submit the requested information.

In awarding this concession opportunity, the Port will evaluate a number of factors in combination. Please make sure Respondent has submitted responses to all items listed in the Submission Requirements [Section IV](#) and the Mandatory Submittal Forms, as Respondent's responses will be evaluated based on the criteria listed in [Exhibit "H"](#).

A. The process of awarding this concession opportunity is described in the document "Policy for Awarding Concession and Customer Service Privileges in the Terminal Building at Oakland International Airport" adopted December 15, 2016⁶ (the Updated Concession Policy) ([Exhibit "L"](#)):

⁶ Resolution No. 16-144

- 1. Submittal of Proposals.** At the Proposal stage, Respondent must provide its proposed concepts and the rationale for the proposed concept(s) for the Assigned Space, as well as all other information required by this RFP.
- 2. Evaluation of Proposals by the Concessions Evaluation Committee.** Proposals will be evaluated by a Concessions Evaluation Committee (Committee) designated by the Port. The chair of the Committee will be such person as designated by the Director. The Committee may be advised by Port staff and its consultants, who may provide technical evaluations of the submitted proposals.
- 3. Interviews.** Respondents may be invited to present their Proposals before the Committee. If so required, formal interviews will be scheduled and conducted with those Respondents offering Proposals that are determined to be in the best interests of the Port and the users of the Airport.
- 4. Selection of Respondent/Negotiation of Space/Use Permit.** It is anticipated that the Port will give a Preliminary Notice of Award to the successful Respondent within sixty (60) days after the Proposals are opened. However, the Port reserves the right to extend this notice period.
- 5. Recommendation to the Director of Aviation.** The Committee will recommend contract award to the Director, who may approve, reject or revise the Committee's recommendation, and will make a final recommendation to the Port's Board.
- 6. Recommendation to the Port Board.** The Director will recommend a contract award for the concession opportunity to the Board, which may approve or reject the Director's recommendation and make its own decision to award.

The Port will be utilizing the evaluation criteria shown on [Exhibit "H"](#)). In addition, adherence to Port policy requirements (Item C of Submission Requirements), Debarment (Item A, TAB S of Submission Requirements) and Litigation (Item A, TAB S of Submission Requirements) will be evaluated on a Pass/Fail basis. Proposals from Respondents who have not or will not adhere to the Port policy requirements, who have been debarred and have not provided sufficient reasons/justification for the Port to review the circumstances surrounding the debarment or who have failed to provide the litigation information will not be forwarded to the evaluation committee for review. SBE outreach will also be evaluated on a Pass/Fail basis as described in [Section 4.B.](#) of this RFP.

VI. ADDITIONAL PROVISIONS

The terms "Company", "Consultant", "Contractor", "Respondent", "Seller", "Supplier", and "Vendor" whenever appearing in this RFP or any attachments, are used interchangeably to refer to the company or firm (and any of their partners) submitting a proposal in response to this RFP.

A. Port's Legal Name and Jurisdiction

The Port of Oakland (the "Port") is legally known as the City of Oakland, a Municipal Corporation, Acting by and through its Board of Port Commissioners. The Port is an independent department of the City of Oakland. The Port has exclusive control and management of all Port facilities and properties. Port facilities and properties consist of marine terminals and adjacent and related properties (collectively, the "Seaport"); the Oakland International Airport (the "Airport"); and commercial and industrial land and properties (collectively, "Commercial Real Estate"); and other recreational land, other

land, undeveloped land, and water areas, all located in Oakland, California. The Port issues Purchase Orders under the name "Port of Oakland".

B. Ownership of Proposal

All rights to information developed, disclosed, or provided in a Proposal and its attendant submissions are the property of Port, unless a Respondent makes specific reference to data that is considered proprietary. Blanket designations of proprietary information shall be invalid. To the extent that a Respondent does not make specific reference to data that is considered proprietary, submission of an RFP constitutes the Respondent's express (i) grant and assignment of a perpetual, transferable (in whole or in part), non-exclusive royalty-free license to the Port for copyright, patent, or other intellectual property right (collectively referred to as "intellectual property"), and (ii) agreement that the Port may use any such intellectual property without charge for any lawful purpose in connection with other Port development projects, including without limitation the creation of derivative works and issuance of sublicenses.

C. Deadline for Receipt of Proposal

Proposals must be sealed and delivered to the Submittal Address listed in the RFP no later than the time specified in the RFP. The Port will place a clock ("Clock") in a conspicuous location at the place designated for submittal of Proposals. For purposes of determining the time that a Proposal is submitted, the Clock shall be controlling (unless at the time of the receipt the Clock malfunctions, then the Port's clock on its network phone system shall be controlling). The Port suggests that Proposals be hand delivered to the Submittal Address in order to ensure their timely receipt. Any Proposals mailed via an express mail service, US Postal Service, or other courier service shall not be considered timely received until date and time stamped by the controlling Clock. Any Proposals received after the time stated (regardless of the cause of the delay, including whether caused by the express mail service, US Postal Services, other courier service, or the Port's mail handling personnel) shall not be opened and shall be returned, sealed, to the Respondent.

D. Public Records Act

Under the Public Records Act (Gov. Code § 6250 et seq.), the Port may be obligated to make available to the public the submitted Proposal and all correspondence and written questions submitted during the RFP process. However, such disclosure shall not be made prior to the date on which the Port publishes a final Board agenda report recommending award of the concession opportunity. Any trade secrets or proprietary financial information, which a Respondent believes should be exempted from disclosure, shall be specifically identified and marked as such. Blanket-type identification by designating whole pages or sections shall not be permitted and shall be invalid.

Respondent acknowledges and agrees that the Port reserves the right to independently determine whether any document is subject to disclosure and to make such information available to the extent required by applicable law, without any restriction.

E. Indemnification and Respondent's Liability

If Respondent is awarded this concession opportunity, it will be required to agree to the indemnification clause contained in the Space/Use Permit (**Attachment 12**). Respondent shall be responsible for any and all damages to the Port's premises resulting from the negligent acts or willful misconduct of the Respondent's agents or employees.

F. Title VI Solicitation Notice

The Port of Oakland, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

G. Race/Gender Neutral Solicitation

The requirements of 49 CFR Part 26 apply to this concession opportunity. It is the policy of the Port to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this concession opportunity. The Port encourages participation by all firms qualifying under this solicitation regardless of business size or ownership.

H. Port's Right to Modify; Amendments

Respondents are advised that the Port has not incurred any obligations or duties in soliciting this RFP. The Port, at its sole discretion, reserves the right to reject any or all proposals submitted in response to this RFP; to request additional information or clarification of information submitted; to cancel or modify, in part or in its entirety, this RFP (including the Space/Use Permit); to request new RFPs or pursue any other means for obtaining the desired services and development; to waive any informalities or minor irregularities in the RFP, and other inconsequential deviations from the RFP's requirements. The Board retains the right to award this concession opportunity in part or in total to the Respondent(s) of its choice, and to decide to undertake the concession opportunity or to terminate the concession opportunity at any time prior to award of the concession opportunity and approval of Space/Use Permit.

The Port may, at its sole discretion, issue amendments to this RFP at any time before the time set for receipt of Proposals. Respondents are required to acknowledge receipt of any amendments (addenda) issued to this RFP by acknowledging the Addendum in the space provided on the RFP Acknowledgement and Signature Form. The Port shall not be bound by any representations, whether oral or written, made at a pre-proposal, pre-contract, or site meeting, unless such representations are incorporated in writing as an amendment to the RFP or as part of the final Space/Use Permit. All questions or requests for clarification concerning material terms of this RFP or the Space/Use Permit should be submitted in writing for consideration as an amendment.

I. Conflicts of Interest

By submitting a proposal, the Respondent represents that it is familiar with Section 1090 and Section 87100 et seq. of the California Government Code, and that it does not know of any facts that constitute a violation of said sections in connection with its proposal. Respondent also represents that its proposal has completely disclosed to the Port all facts bearing upon any possible interests, direct or indirect, which Respondent believes any member of Port, or other officer, agent or employee of Port or any department presently has, or will have, in any agreement arising from this RFP, or in the performance thereof, or in any portion of the profits there under. Willful failure to make such disclosure, if any, shall constitute ground for rejection of the proposals or termination of any agreement by Port for cause. Respondent agrees that if it enters into a contract with the Port, it will comply with all applicable conflict of interest codes adopted by the City of Oakland and Port of Oakland and their reporting requirements.

J. Respondent to Bear Cost of RFP Response

All costs directly or indirectly related to responding to this RFP, attending any Mandatory Pre-Proposal Meetings, selection meetings, and interviews are entirely the responsibility of the Respondent and shall not be chargeable to the Port.

K. Compliance With Laws

The Respondent must comply with all laws, ordinances, regulations and codes of the Federal, State, and Local Governments, which may in any way affect the preparation of proposals or the performance of the Space/Use Permit.

L. Respondent's Relationship

The Respondent's relationship to the Port shall be that of independent contractor and not deemed to be a partner, joint venture, principal, agent, employer, or employee of the Port.

M. Proposal Considerations and Legal Proceeding Waiver

The Port has absolute discretion with regard to acceptance and rejection of proposals. In order to be considered, the Respondent waives the right to bring legal proceedings challenging the Board's choice of the award.

N. False Statements

False statements in a Proposal will disqualify the Proposal.

O. Taxes

The Respondent will be responsible for all Federal, State, and Local taxes.

P. Withdrawal or Modification of Offers

The Respondent may modify a Proposal in writing at any time before the deadline for submission of a Proposal. The Respondent may withdraw a Proposal at any time after the Proposal Due Date, subject to forfeiture of the Proposal Deposit.

Q. Acceptance

Any Proposal received shall be considered a Proposal that may be accepted or rejected, in whole or in part, by the Port based on initial submission with or without discussions or negotiations.

R. Representations

No representations or guarantees of any kind, either made orally, or expressed or implied, are made with regard to the matters contained in this RFP, including any attachments, letters of transmittal, or any other related documents. The Respondent must rely solely on its own independent assessment as the basis for the submission of any Proposal made.

S. Award Consideration

The Port shall not be bound to accept the highest financial Proposal and will award the concession opportunity (if any) to the Company selected through the competitive process (and any subsequent interviews) outlined in this RFP.

T. Protest Procedures

Any Respondent that has timely submitted a responsive Proposal may file a protest of award in accordance with the provisions set forth below:

1. Any protest must be submitted in writing to the Secretary of the Board, by 5:00 p.m. of the fifth (5th) business day following publication of the identity of the apparent successful Respondent (or of notice of intended award, if such notice is issued).
2. Protest shall be submitted and will be considered in accordance with Port Ordinance No. 4576 – “Purchasing Authorities and Procedures”.

Any protest not conforming to the foregoing shall be rejected by the Port without recourse.

Attachment 1
Non-Collusion Declaration

Attachment 2
Statement of Equal Employment Opportunity

Attachment 3
RFP Acknowledgement and Signature Form

Attachment 4
Statement of Adherence to Labor Peace Rule

Attachment 5A

Quarterly Reporting for Participation of Airport Concession Disadvantaged Business Enterprise (ACDBE)

Attachment 5B
Quarterly Report Certificate Letter

Attachment 5C
Report of Certified ACDBE Form

Attachment 5D
Uniform Report of ACDBE Participation

Attachment 6
Disadvantaged Business Enterprise Program Affidavit

Attachment 7
City of Oakland City Charter § 728 Living Wage Information

Attachment 7A
Employer Self-Evaluation for Port of Oakland Living Wage

Attachment 7B
Certificate of Compliance – Living Wage

Attachment 8
Statement of Living Wage Requirements

Attachment 9
Insurance Requirements

Attachment 10
Insurance Acknowledgement Statement

Attachment 11
Proposal Deposit

Attachment 12
Space/Use Permit

Exhibit "A-1"

Terminal Map Illustrating Existing Retail & Duty Free Units with Existing Food & Beverage,
Retail, Wine Bar and Escape Lounge also Illustrated

Exhibit "A-2"

Terminal Map Illustrating Subject Retail & Duty Free and Retail Node Units

Exhibit "A-3"

Narrative Detail of Current OAK Concessions Program for Retail, Duty Free, Food & Beverage,
Wine Bar and Escape Lounge

Exhibit "B-1"

More Detailed Illustration/Site Plan of Each Unit
See Tenant Design Standards (Revised 2/1/2022)

Exhibit "B-2"

Design Concepts of Select Existing and New Units
See Tenant Design Standards (Revised 2/1/2022)

Exhibit "C"

Resolution No. 20467: Resolution Implementing Port Sustainability Policy

Exhibit "D"

Important Anticipated Dates in this RFP and in the Space/Use Permit

Exhibit "E"
Resolution No. 17-35
Labor Peace Rule

Exhibit "F"

Resolution No. 18-35

First Source Referral and Non-Discrimination Against Applicants with History with Criminal Justice System in the Employment of Concession Employees

Exhibit "G"

Resolution No. 15-056: Labor Pool Program

Exhibit "H"

Evaluation Criteria for the Retail & Duty Free Concession Opportunity RFP

Exhibit "I"
Mandatory Submittal Forms

Exhibit "J-1"

Gross Sales for all OAK Food & Beverage Concessions for Calendar Years 2016 through 2021

Exhibit "J-2"

Gross Sales for all OAK Retail Concessions for Calendar Years 2016 through 2021

Exhibit "J-3"
Historic and Forecast Passenger Enplanements

Exhibit "K"

List of Existing Environmental Reports for Terminal 2 Port Buildings M102, M103, M130, M367
and M368 where Units are located

Exhibit "L"

Port Resolution No. 16-144: Policy for Awarding Concessions and Customer Service Privileges
in the Terminal Buildings at Oakland International Airport, adopted December 15, 2016

Exhibit "M"
Small Business Self-Certification Form

Exhibit "N"

Airport Concessions Disadvantaged Business Enterprise Program and Small Business Enterprise Race and Gender Neutral Clause