

**CHICAGO O'HARE INTERNATIONAL AIRPORT
REQUEST FOR PROPOSALS (RFPs)**

**"TO LEASE, DEVELOP, AND OPERATE FOOD AND BEVERAGE, SPECIALTY
RETAIL, TRAVEL ESSENTIALS CONCESSIONS"**

Date: April 23, 2021

Issued by:

CITY OF CHICAGO
(Chicago Department of Aviation)

The City of Chicago ("City") through its Chicago Department of Aviation ("Department and/or "CDA") invites the submission of proposals by qualified businesses to lease, finance, construct, and operate one or more food and beverage, specialty retail and travel essential concessions ("Concession") at the Chicago O'Hare International Airport ("Airport"). This Request for Proposals ("RFP") contains seven (7) packages totaling ten (10) locations as further described herein. All capitalized terms not defined in this RFP are further defined in the Sample Agreement.

The goals of the concession program are to: (1) provide first-class service and a broad variety of quality concessions to all guests; (2) provide enhanced quality and value through the concession offerings; (3) provide innovative food and beverage, retail, and personal service concepts with broad customer appeal; (4) provide business opportunities for airport concessions disadvantaged business enterprises ("ACDBE"s); (5) promote store concepts, themes, and products identified with Chicago and (6) optimize concession revenues to the Airport.

To be considered for an award of the offered Concession, a respondent must deliver its proposal to the City at the address below, in accordance with the instructions set forth in this RFP, prior to the due date and time stated below. Proposers must submit two (2) signed bound paper copy of the proposal and seven (7) USB flash drives containing the complete proposal in electronic files using portable document format ("PDF").

Deliver responses to:

Castalia Serna
Deputy Commissioner of Concessions and Customer Service
Bid Resource Center
Chicago Department of Aviation
10510 E. Zemke Road
Chicago, Illinois 60666

**PROPOSALS SUBMITTED IN RESPONSE TO THIS RFP WILL BE ACCEPTED UNTIL
4:00 P.M. CENTRAL TIME on August 2, 2021**

Late proposals will not be considered for selection and will be returned to respondent unopened.

A. CONTENTS

Please read the following instructions carefully and check your RFP package to ensure that you have addressed all the following sections and attachments:

REQUEST FOR PROPOSAL

- A. Contents
- B. Description of Existing and Planned Operations
- C. Submission, Selection and Contracting Procedures
- D. Key Business Terms and General Conditions
- E. Concession Opportunity
- F. Proposal Requirements
- G. Evaluation Criteria

ATTACHMENTS

- A. Special Conditions Regarding Airport Concessions Disadvantaged Business Enterprise (ACDBE) Commitment

PROPOSAL FORMS

- A. Experience and Qualifications
- B. Concept/System Plan
- C. Projected Gross Receipts, Net Income and Cash Flows
- D. Capital Investment and Financing Sources
- E. Airport Concession Disadvantaged Business Enterprise Plan
- F. Airport Concession Disadvantaged Business Enterprise Forms
- G. Compensation to the City
- H. Evidence of Signed Labor Peace Agreement
- I. Labor Peace Small Business Exception Claim
- J. Form of Reference
- K. Proposal Affidavit Form
- L. Business Information Statement
- M. Sexual Harassment Affidavit
- N. Proposal Checklist
- O. Exceptions

Reference Material

The City has established a database of reference material for prospective respondents (the "Data Room"). The following applicable information will be available in the Data Room:

1. Request for Proposal
2. Proposal Forms
3. Terminal Floor Plans
4. Lease Outline Drawing of Concession Locations
5. Historical Concession Sales
6. Historical and Projected O'Hare Passenger and Operations Activity

7. Future Development Plans
8. Utility Information
9. Sample Form Agreement
10. Special Conditions Regarding Airport Disadvantaged Business (ACDBE) Enterprise Commitment (Attachment A)

The City intends to add additional information to the Data Room throughout the RFP open bid period. Prospective respondents are advised to frequently check the Data Room for additional reference material. All capitalized terms herein are further defined in the attached Sample Agreement.

B. DESCRIPTION OF EXISTING AND PLANNED OPERATIONS

O'Hare International Airport is at the beginning of a transformational redevelopment (ORD 21) estimated to cost \$8.5 billion and include construction of an O'Hare Global Terminal, and several additional terminals over the next 15 years. One of the first major components of ORD 21, is the expansion of Terminal 5 (T5). Historically, T5 was an international terminal, solely responsible for handling all of the inbound international flights and a significant portion of the outbounds. In 2018, T5 began handling both inbound and outbound domestic flights operated by Frontier Airlines. To facilitate the goals of ORD 21, T5 is currently under construction to construct and modify 10 gates and other passenger services and amenities. Delta, JetBlue, Alaska and other domestic carriers will begin moving operations to T5 beginning in 2021. Ultimately, the terminal will be the home to many domestic and international flag airlines operating at O'Hare. In January 2021, Southwest Airlines began flight operations at T5.

In order to accommodate the additional airline operations and passenger traffic, the City is adding over 10,000 square feet of new concessions to the terminal. Given the proposed expansion footprint, additional square footage will be developed on both the east and west sides of the terminal. The Concession Opportunity outlined in Section E provides an overview of the offerings the City wants developed at T5. Please note this is the first phase of a two phased concession offering plan.

See ORD21.com or the Data Room for more information on Terminal 5 expansion.

C. SUBMISSION, SELECTION AND CONTRACTING PROCEDURES

1. Schedule

The City has adopted the following tentative schedule for the submission of proposals under this RFP:

Scheduled Item	Scheduled Date and Time
RFP Issued	April 23, 2021
Pre-Proposal Registration Deadline	May 10, 2021, 5:00 p.m.
Pre-Proposal Meeting	May 11, 2021
Question Deadline	June 4, 2021, 5:00 pm
Proposal Due Date	August 2, 2021
Anticipated Award Date	Fourth Quarter 2021
New Services Open/Online	To be determined

2. Proposal Due Date and Time

Proposals must be received by the City, in the format and number specified in Section F of this RFP, at the address listed below no later than **4:00 p.m. Central Time on August 2, 2021** (the “Due Date”). Late proposals may not be considered for selection and may be returned to the respondent unopened. Postmarks or shipping dates will not be considered in judging the timeliness of submissions. No oral, facsimile, telephone or email proposals will be accepted. Proposers must submit two (2) signed bound paper copy of the proposal and seven (7) USB flash drives containing the complete proposal in electronic files using portable document format (“PDF”). The flash drives must include the proposal in two forms: 1) a single electronic file containing the entire proposal and 2) each tabulated section of the proposal as a separate electronic file. The City requires the proposals to be delivered to:

Castalia Serna
Deputy Commissioner of Concessions and Customer Service
Bid and Resource Center
Chicago Department of Aviation
10510 W. Zemke Road
Chicago, Illinois 60666

3. Pre-Proposal Meeting and Tour

The City will hold a virtual pre-proposal meeting on **May 11, 2021** at 10:00 am local time. All interested parties are invited to participate in the non-mandatory meeting. All attendees

must register by sending an email to ORDT5EXP2021@cityofchicago.org and include in the subject: Concessions Pre-Proposal Meeting, in order to attend the meeting. A virtual tour of the existing spaces in Terminal 3 will be conducted during the virtual meeting.

4. Questions and Interpretation of the RFP

Prospective respondents having questions about this RFP must submit them in writing to:

ORDT5EXP2021@cityofchicago.org

Only written questions will be accepted and must be submitted no later than 5:00 p.m. CST, **June 4, 2021**. Answers to all properly submitted questions, as well as any clarifications, interpretations, or changes to this RFP by the City, will be provided in one or more addenda to be posted on the Department's web site (www.flychicago.com) and within the RFP's Data Room. The City advises prospective respondents to check the website and the data room frequently for any addenda that may be issued.

5. Submission of Multiple Proposals

This RFP offers packages of various concessions in the Airport. The locations and requested concession services are further described in Section E.

- a) Respondents may submit proposals for one or more packages under the same cover, which will be considered a single proposal. However, the City intends to award each package individually, but reserves the right to award multiple packages to a single respondent.
- b) Respondents may be a subcontractor or joint venture partner within another respondent's proposal in order to provide a bundle of service the submitting respondent does not have but is desired by the City.
- c) No respondent shall submit more than one proposal. The submission of more than one proposal under different names by any entity or individual, or an ownership interest in more than one respondent by any entity or individual (excepting any entity or individual with only a minority ownership interest or a sublease relationship in each respondent in which it has an interest) shall be cause for rejection of all such proposals without consideration. Notwithstanding the foregoing, this prohibition is not intended to preclude joint ventures, licenses, or subleases.
- d) The City reserves the right to award alternative locations to a respondent.

6. Minimum Qualifications

The City has established the following qualifications that a respondent should meet in order to be considered a qualified respondent. The City, in its sole discretion, will determine if

a respondent is qualified and will base its decision on the information included in the respondent's proposal, as well as its own investigation.

a. Experience

Respondent must provide evidence that it has the necessary experience and capacity to fulfill the scope of the offered Concession. At a minimum, respondent should;

- 1) Have at least three (3) years of continuous experience, within the last five (5) years, in the successful ownership, management, and/or operation of a business similar to that which is proposed.
- 2) Provide three (3) client references for which the respondent has provided said services within the last five (5) years.
- 3) If respondent is a newly formed entity, respondent must demonstrate that owners of respondent who, in the aggregate, own 51% or more of the entity, each satisfy the experience requirement. Regardless of respondent's ownership structure, respondent must provide evidence to the City's satisfaction that the owners of respondent who are relied upon to satisfy this requirement will have effective control of respondent entity.

b. Airport Concessions Disadvantaged Business Enterprise Participation Plan

Respondent must submit an Airport Concessions Disadvantaged Business Enterprise ("ACDBE") participation plan that meets or exceeds the requirements for ACDBE participation in concessions at the Airport as further described in Section C.5 below.

7. Proposal Withdrawal

Proposals may be withdrawn, by written request, at any time prior to the Due Date. Any such withdrawal prior to the Due Date does not preclude the submission of another timely proposal prior to the Due Date. Any submission after the Due Date will be deemed late and returned to respondent, after a minimum of 180 days

8. Award and Execution of Concession Agreement

The City intends to award the Concessions offered by this RFP to the qualified and responsible respondent(s) who provides the best overall proposals in the City's sole opinion. The City is **not** required to select the proposal with the highest projected compensation to the City. All awards of a concession under this RFP are subject to the approval of the Chicago City Council, which approval is at the City Council's sole discretion.

All timely responses to this RFP will be reviewed and evaluated by an evaluation committee appointed by the Commissioner, which will recommend to the Commissioner a respondent for tentative award of the Concession (hereinafter referred to as "Selected

Respondent”). Upon the Commissioner’s concurrence, which concurrence is in the Commissioner’s sole discretion, the City will tentatively award the offered Concession to said respondent(s) subject to approval by the City Council.

Prior to introduction to City Council, the Selected Respondent must a) submit to the Commissioner for approval, a concept/systems plan, any preliminary designs, a marketing plan and a construction and facility installation and opening schedule (collectively, the “Development Plan”), and b) be prepared to execute a Concession Lease and License Agreement (“Agreement”) in a form agreed upon by the City and Selected Respondent. The Agreement will be substantially similar to the Sample Form of Agreement included but modified to incorporate provisions of this RFP, Selected Respondent’s proposal, the Development Plan, and other terms and conditions that may be mutually agreed by the City and Selected Respondent and c) complete and execute Economic Disclosure Statement (s). If a Selected Respondent fails to execute the Agreement (see section F.10 for more information) within forty-five (45) days after approval by City Council, the City reserves the right to withdraw the award and reject the proposal, in which case, said Selected Respondent will have no claim of any kind, including any right of recovery of costs, against the City.

9. City’s Right to Cancel, Reject, Modify or Reissue RFP

The City reserves the right to reject any or all proposals and to invite new proposals or take such other course of action as the City deems appropriate at the City’s sole and absolute discretion. The City reserves the right to:

- a) Waive minor informalities and irregularities in any proposal or proposing procedure.
- b) Reject or cancel any or all proposals.
- c) Reject any portion(s) of a proposal.
- d) Reissue the RFP with or without modification.
- e) Modify the location and size of the offered space.
- f) Select multiple proposals.
- g) Request so-called “best and final offers” from any one or more respondents.
- h) Negotiate all proposal elements concurrently with any one or more respondents.

Any one or more of the following causes, among others, may be considered sufficient for the rejection of a respondent’s proposal, regardless of respondent’s qualifications in respect to other evaluation criteria (Section G):

- a) Evidence of collusion among respondents.
- b) Non-responsiveness, as determined by the City in its sole judgment, as shown by past work, references, or other relevant factors.
- c) Default or arrearage on any contract or obligation with the City or other government entity including but not limited to loans, bonds, debt contract, as surety or otherwise.
- d) Submission of a proposal that is incomplete, conditional, ambiguous, obscure, or that contains alterations or irregularities of any kind.

- e) Submission of a concessions plan deemed by the City, in its sole judgment, to be inconsistent with the goals and objectives of the concessions program, including its merchandising plan.
- f) Evidence of improper lobbying efforts toward members of the City Council, elected or appointed officials of the City, and/or employees of the City.
- g) Failure to comply with the terms and conditions of this RFP.
- h) Failure of the respondent to meet the minimum qualification requirements or be otherwise deemed non-responsive by the City.

10. Consent to Investigation

The City's determination as to whether a respondent is qualified and responsible will be based on information provided by the respondent in its proposal, Economic Disclosure Statement and Affidavits, interviews (if applicable), and other sources deemed to be valid by the City. A concession will not be awarded until all investigations of the respondent and its constituent entities', subtenants', owners' (of any tier), and officers' (collectively, the "Responding Parties") business experience, financial responsibility, and character that the City deems necessary are completed. By submitting its proposal, the Responding Parties agree to permit and cooperate with such investigations.

11. Respondent Interview

The City may, at its discretion, schedule one or more interviews with any respondent to clarify and/or explain parts of its proposal. The City will determine dates and times of such interviews and respondents will be given notice of such at the appropriate time.

12. Respondent's Cost of Proposal Preparation

All costs incurred by respondent in preparation of respondent's proposal (including costs associated with interviews) will be borne by respondent. The City is not responsible for any costs associated with this proposal submission. Respondents are advised not to include any promotional items with their proposals. All such items will be returned to respondents at respondents' cost.

13. Ownership

All proposals and supplementary material will become the property of the City. Respondents are advised that all information included in proposals may be made available to the public in accordance with appropriate policies, statutes, ordinances and/or regulations including, but not limited to, the Illinois Freedom of Information Act.

14. Representation by Brokers

The City will not be responsible for any fees, expenses, or commissions for brokers or their agents. Communications by or between employees of or contractors to the City and any potential or actual respondent broker or agent are not to be construed as an agreement to pay, nor will the City pay any such fees, expenses, or commissions. By submitting its proposal, respondent agrees to hold the City harmless from any claims, demands, actions, or judgments in connection with such broker fees, expenses, or commissions.

15. Disclaimer

The information contained in this RFP, attachments, exhibits, and appendices hereto, and any addendum that may be issued, is provided to assist prospective respondents in the preparation of proposals. Respondents should satisfy themselves by personal investigation or such other means as they may think necessary as to the conditions affecting the offered Concessions. The information shown herein has been obtained from sources thought to be reliable, but the City and its elected officials, officers, employees, agents, and contractors, are not liable for the accuracy of the information or its use by prospective respondents.

16. Title VI Solicitation Notice

The City, 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 Proposers that it will affirmatively ensure that for 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.

17. City of Chicago Policy Prohibiting Sexual Harassment

In accordance with Section 2-92-612 of the Chicago Municipal Code, the City's Policy Prohibiting Sexual Harassment requires all Proposers to attest by affidavit (in the form of the "Sexual Harassment Policy Affidavit" Exhibit attached hereto) that Proposer has a written policy prohibiting sexual harassment which includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment; and (iii) the legal recourse available for victims of sexual harassment.

D. KEY BUSINESS TERMS AND GENERAL CONDITIONS

This RFP, and all exhibits, attachments, and addenda thereto, does not constitute a contract between the City and any entity or individual, a commitment by the City to accept concession services from any entity or individual, or a commitment by any entity or individual to provide concession services to the City. A Concession shall be performed only under the terms and conditions of the Agreement by and between the City and a Selected Respondent. (For purposes of this Section D, the terms “Selected Respondent” and “Agreement” refer to each of the Selected Respondents, separately or collectively as the context may indicate, to this RFP and its respective Agreement).

The following summarizes some of the key terms and conditions of the offered concessions that will be incorporated in the Agreement. This summary is not intended to be a complete description of the Agreement. Prospective respondents are advised to thoroughly review the Sample Form of Agreement to gain an understanding of the City’s expectations regarding the terms and conditions of the offered concession. Unless defined elsewhere in this RFP, capitalized terms in this Section D have the same meaning as in the Sample Form of Agreement.

1. Term of Agreement

The Agreement will become effective and binding on the date of its counter-signature by the Mayor (“Effective Date”). The term (hereinafter “Term”) will commence on the Effective Date and will expire on the seventh anniversary of the Date of Beneficial Occupancy of the Lease space. The City reserves, in its sole discretion, the right to extend the Term of any package in two, one-year options.

At this time, the City anticipates that the locations included in this RFP will be delivered to the Selected Respondent(s) between the first and second quarter 2022. The City will require the Leased Space to be substantially improved and open for business in accordance with the Development Plan. If the Development Plan is not completed within 120 days from the Effective Date, the City may assess Selected Respondent liquidated damages of \$500 per day. until the completion of the Development Plan.

2. Compensation to the City

In consideration of the rights and privileges to be granted to Selected Respondent by the City, Selected Respondent will pay Rent to the City in accordance with the terms and conditions of the Agreement. Rent means all amounts payable by Selected Respondent as set forth in the Agreement, including but not limited to Base Rent, License Fees, Additional Rent, and any liquidated damages specified in the Concession Agreement for non-compliance with requirements for concession operations.

Base Rent

Base Rent equals \$50 per square foot of Leased Space and is increased three percent annually as of January 1st of each calendar year during the Term. For purposes of determining the Base Rent, Leased Space includes Retail Space and Storage Space, if applicable. The Base Rent is separate from the License Fee described below.

The Selected Respondent will pay the Base Rent for any portion of the Leased Space beginning as of the Delivery Date of said portion of the Leased Space.

License Fee

The License Fee equals the greater of (1) the Minimum Annual Guaranteed Fee (“MAG”) or (2) the Percentage Fee, which equals the product of Percentage Fee Rate(s) multiplied by Gross Revenues. The actual compensation and calculations thereof are based on the Selected Respondent’s proposal and are subject to negotiation.

Selected Respondent will not have a MAG for the first and second year of the Term. The Base MAG will be established beginning in year three (3) at an amount equal to 85% of the actual rent paid in the previous year. In the subsequent Lease Years of the Term, the MAG will equal 85% of the Percentage Fee calculated for the prior Lease Year but will never be less than the Base MAG rent established in the third Lease Year.

The Percentage Fee equals the sum of the products of the Percentage Fee Rates multiplied by the Gross Receipts attributable to concession categories as shown in the following table. Respondent must propose a percentage fee rate for each category, applicable to the Respondent’s proposal and listed below. The City has established a range of percentage fee rates for each category. Respondent must bid within the established ranges. Any respondent who proposes a rate outside of those listed below, will be deemed non-responsive and eliminated from further consideration of award.

Concession Category	Percentage Fee Rate
Food & Beverage	11% to 13%
Alcohol Sales	14% to 16%
News, Convenience, Travel Essentials	11% to 14%
Specialty Retail	11% to 13%
Duty Free	15% to 20%
Duty Paid	11% to 13%

The Selected Respondent will pay the License Fee beginning the earlier of the date that the Selected Respondent opens for business in any portion of the Leased Space or 120 days after obtaining possession of said portion of the Leased Space.

3. Other Fees

a. Marketing Fee

Selected Respondent shall be required to pay a Marketing Fee equal to one-half of one percent (0.5%) of annual Gross Revenues for the purpose of advertising,

publicity, promotional materials, events, directories, secret shopping, customer service training, and other activities the City deems appropriate for marketing the concessions program at the Airport including, but not limited to, personnel costs related to the implementation and management of marketing activities.

The City may, but is not obligated to, waive the marketing fee in lieu of an accepted marketing program to be provided and implemented by the concessionaire in coordination with the City's and CDA's marketing departments. The concessionaire must provide the City with actual amounts spent on marketing directly for the concessions at the Airport which must total or exceed the 0.5% of Gross sales. If the amount spent by concessionaire, on marketing, does not equal or exceed 0.5% of sales, Concessionaire shall pay the City the difference.

b. Taxes, License and Permit Fees

Selected Respondent is solely responsible for the timely payment of all appropriate taxes, license and permit fees that may be levied by City, County, State, Federal or other agencies including, but not limited to, Cook County leasehold taxes.

4. Security Deposit

Selected Respondent must deliver to the City, prior to the Commencement Date, but not later than 30 business days after the Effective Date, performance security in an amount \$25,000. In the third Lease Year, once the MAG has been established, the amount of performance security will be required to equal 25% of the estimated third Lease Year MAG. Performance security will be in the form of an irrevocable letter of credit issued in favor of the City or a cash deposit. The letter of credit will be required to be adjusted, as the MAG increases or decreases throughout the remaining term.

5. Capital Investment and Improvements

Selected Respondent must provide the equipment, installation and maintenance as well as redevelop all portions of any Leased Space in accordance with the approved Development Plan.

The Selected Respondent must design, construct and install the facilities and system in ORD and/or in the Leased Space to conform to design standards as set forth in the Tenant Project Design and Construction Standard Operating Procedures (T-SOP) and the Concessions Standard Operating Procedures ("C-SOP"). The City reserves the right to review and approve all improvements and other capital investments. The Agreement will include a provision that Selected Respondent will submit to the City detailed plans of its proposed facilities in accordance with the terms and conditions of the T-SOP and C-SOP, which will be provided to Selected Respondent. Upon written notice by the City of its approval of the plans, Selected Respondent will coordinate with the City with respect to the construction and installation of its facilities. Both the T-SOP and C-SOP can be found at <https://www.flychicago.com/business/opportunities/vendor>.

Selected Respondent will be responsible for all necessary permits. The City's Department of Buildings requires that permit applications be filed by an architect who has successfully completed the Department of Buildings Self-Certification Program. This three-day

training program is open to Illinois licensed architects and engineers and is conducted periodically throughout the year. More information on this program and a list of architects and engineers that have completed the program are available on the City's website (www.cityofchicago.org) or by contacting the Department of Buildings at (312) 743-3600.

a. Condition of Premises

The City will deliver all portions of the Leased Space to the Selected Respondent in the current condition, "as is / where is." Selected Respondent will be required to buildout and install any improvements, including utilities, at its sole cost in order to accomplish the Development Plan.

b. Sustainable Design

As part of the City's goal to incorporate an environmentally sustainable design in building and infrastructure improvements, the City encourages the Selected Respondent to incorporate sustainable design practices in the redevelopment of the Leased Space. The City further encourages the Selected Respondent to include a LEED (Leadership in Energy and Environmental Design) accredited professional on its design team.

The main objectives of sustainable design are to avoid resource depletion of energy, water, and raw materials; prevent environmental degradation caused by facilities and infrastructure throughout their life cycle; and create built environments that are comfortable, safe, and productive. For additional information regarding the Department's objectives, please refer to the Department's "Sustainable Airport Manual" ("SAM") which may be found Department's website:

<https://www.flychicago.com/community/environment/sam>

c. MBE/WBE Participation in Design and Construction

In addition to participation by certified Airport Concession Disadvantaged Business Enterprises ("ACDBEs") in the ownership and operation of the Concession (Section D.6 below), the goal of the City is to provide full and fair opportunities to businesses certified by the City as Minority Business Enterprises ("MBEs") and Women Business Enterprises ("WBEs") in the design and construction of the Concession.

The Selected Respondent is expected to ensure that MBEs and WBEs have full and fair opportunities to compete for contracts or subcontracts in the design, construction, and installation of the Concession. The Agreement will require the Selected Respondent to submit for City approval, in connection with its Development Plan, an MBE/WBE participation plan. The Selected Respondent will be expected to undertake good faith efforts in a manner consistent with the good faith efforts described in the Special Conditions Regarding Airport Concession Disadvantaged Business Enterprise (ACDBE) Commitment attached hereto as Attachment A ("Special Conditions"). Failure to do so will be an event of default under the Concession Agreement.

The City's goals for participation in construction contracts are 26% MBE and 6% WBE. However, in consideration of the anticipated costs of the design and construction of concessions, the Department will accept a participation plan that meets a combined single Design and Construction goal of 26% MBE and 6% WBE participation, which participation may be achieved through any combination of construction and design contracts. The respondent must take these MBE and WBE goals into consideration when preparing its proposal.

Information regarding the City's MBE/WBE program is available at: www.cityofchicago.org under "Doing Business".

d. City and Project Area Resident Construction Workers

In order to promote job opportunities, the City will expect the Selected Respondent and any subcontractors that perform construction work at the Airport to follow the requirements of section 2-92-330 of the Municipal Code. It provides that, unless otherwise determined by the City, a minimum of 50% of the total work hours must be performed by actual residents of the City, and 7.5% of the total work hours (which may be included in the 50%) must be performed by project area residents: residents of neighborhoods surrounding the Airport. In addition to complying with this requirement, Selected Respondent and all subcontractors must make good faith efforts to utilize eligible residents of the City in both unskilled and skilled labor positions. The respondent must take this into consideration when preparing its proposal.

e. Multi-Project Labor Agreement

The City has entered into the Multi-Project Labor Agreement ("PLA") with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work, as described in the PLA, a copy of which may be found at:

<http://www.cityofchicago.org/dam/city/depts/dps/RulesRegulations/Multi-ProjectLaborAgreement-PLAandSignatoryUnions.pdf>

To the extent that capital improvements or other work involve a project that is subject to the PLA, the Selected Respondent must be familiar with the requirements of the PLA and its applicability, and shall comply, and shall insure that all of its subcontractors, subtenants and sublicensees comply, in all respects with the PLA.

6. Airport Concession Disadvantaged Business Enterprise Participation

The concessions program at the Airport is subject to federal regulations set forth in 49 CFR 23 ("Part 23") governing Airport Concession Disadvantaged Business Enterprises ("ACDBEs"). It is the policy of the City to fully comply with the requirements of Part 23. Accordingly, the City has established an aspirational goal of **thirty-two (32%) percent** participation by ACDBEs in the concessions offered by this RFP. Pursuant to 49 CFR 23.25(f), ACBDE participation must be, to the greatest extent practicable, in the form of direct ownership, management, and operation of the concession or the ownership, management, and operation of specific concession locations through subleases. However, the City will also consider participation through (1) a joint venture in which ACDBEs

control a distinct portion of the joint venture business and/or (2) respondent's purchase of goods and services from ACDBEs

A respondent may satisfy this aspirational goal by (1) identifying, in its proposal, the certified ACDBEs that will participate in the concession (including the nature and percentage of such participation) and/or (2) demonstrating in its proposal the good faith efforts it has undertaken to achieve the City's aspirational goal for ACDBE participation. Failure to identify certified ACDBE participation equal to or greater than the aspirational goal, or to demonstrate good faith efforts to achieve the aspirational goal, in a respondent's proposal, will be grounds for the City to determine that a respondent's proposal is not responsive to this RFP and/or that the respondent is not responsive. In either case, the respondent will not be eligible for contract award under this RFP. *Please note that the mere submission of an application for ACDBE certification is **not** considered a good faith effort, and proposals which rely on such an application for compliance will be rejected as non-responsive.*

ACDBEs identified in a proposal must be certified as ACDBE by the Illinois Unified Certification Program ("UCP") as of the Due Date to meet the City's aspirational goal for ACDBE participation. Respondents are advised to verify with any proposed person or business that it is an ACDBE certified pursuant to Part 23 and obtain a copy of a current certification letter. Additional information regarding ACDBE certification is available from the City's Office of Compliance.

Additional information regarding ACDBE participation in this concession may be found in the Special Conditions.

7. Utilities and General Maintenance of Facilities

a. Utility Connections

The Selected Respondent is responsible, at its own cost, for all utility connections necessary to undertake the proposed concession services. All utilities to the Leased Space will be separately metered. Charges for those utilities not separately metered may be pro-rated and billed to the Selected Respondent by the City.

b. Heat, Ventilation and Air Conditioning (HVAC)

The City will provide HVAC to any concession spaces pursuant to the current season and during reasonable business hours. However, the City may require the Selected Respondent to install separate equipment for HVAC requirements specifically related to the Selected Respondent's operations. Selected Respondent will pay for utility usage in the Leased Space for HVAC requirements.

c. Utilities

The Selected Respondent will pay for all utilities, without exception, necessary in the operation of its business including telephone, cable television, data, electricity, water, sewage, and natural gas. All charges including, but not limited to, deposits, installation costs, connection charges, meter deposits and all service charges for utility services metered directly to the Leased Space must be paid by the Selected Respondent, regardless of whether such utility services are furnished by the City or other utility service corporations.

d. Maintenance

The Selected Respondent will, at its own cost, keep the Leased Space and all equipment and other personal property neat and clean and in good order and operating condition. Should there be seating in a common area used by the Selected Respondent, the City may require a cleaning plan to be submitted or absorb some of the annual cleaning cost.

e. Janitorial Service

The Selected Respondent will provide sufficient janitorial services to ensure that the Leased Space is at all times maintained in a clean, attractive and sanitary manner including but not limited to equipment, fixtures, service counters and display units.

f. Waste Disposal

The Selected Respondent will collect and dispose of trash and garbage to a location and in a manner designated by the City. The City or other service corporation may invoice the Selected Respondent for waste removal.

8. Storage and Delivery

The City will provide Storage Space to support the daily operations of the concession or service. The City strongly recommends that respondents include storage in their facility designs and outline storage needs in its proposal. The Selected Respondent will be responsible for the construction (if applicable) and maintenance of such space. In addition, the Selected Respondent will pay to the City, as compensation for the use of any Storage Space, at the current per square feet rate.

9. Insurance Requirements

The Selected Respondent must maintain throughout the Term of the Agreement insurance coverage for general liability, property damage, workers' compensation, product liability, business automobile liability, and such other insurance as may be required by the City in accordance with the Agreement, all in a form satisfactory to the City, as specified in the Agreement. All insurance policies must name the City as an additional insured. The kinds and amounts of insurance required are as follows:

- Workers' Compensation – not less than \$100,000 each accident, injury or disease
- Commercial Liability Insurance – not less than \$2,000,000 per occurrence
- Automobile Liability – not less than \$1,000,000 per occurrence (a higher limit applies if the Selected Respondent operates on the airport operations area)
- Property – must maintain all-risk property insurance in the amount of the full replacement costs.
- All Risk Blanket Builders Risk – must provide risk insurance to cover materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility.

10. Public Accommodation Laws

The Agreement will include a provision that the Selected Respondent must comply fully with applicable laws, regulations, and building codes governing non-discrimination in public accommodations and commercial facilities, including without limitation the requirements of the Americans with Disabilities Act of 1990 and Title VI of the Human Rights Act, and all regulations thereunder.

11. Non-Exclusivity

The City will not enter into an exclusive agreement with the Selected Respondent. At any time during the Term of the Agreement, the City may, at its own discretion, enter into other agreements for concepts similar to those in operation at the Airport including those of the Selected Respondent. Nothing herein is to be construed to grant or authorize the granting of an exclusive right to the Selected Respondent.

12. Value Pricing

The City has established a Value Pricing policy for all concessions at the Airport. The policy generally requires concessions to charge the same price for a product or service at the Airport price charged for the same product or service at similar stores in the City (each hereinafter referred to as a “Benchmark Store”). Stores will be proposed by the Selected Respondent subject to approval by the City. The following locations and areas shall be excluded when establishing Benchmark Stores: hotel restaurants or kiosks, bus and train transportation centers, entertainment centers, arenas, theaters, convention centers or similar venues. Benchmark Store exclusions may change throughout the Term as determined necessary by the City. If the Selected Respondent currently operates the exact other locations in the City, then these locations may be designated Benchmark Stores. Otherwise, Benchmark Stores will be selected based on stores that are comparable to the proposed concept. Notwithstanding the aforementioned exclusions, in the case of a convenience store where Selected Respondent currently operates a same-brand location in the City, in a transportation center, and that location has its own customer walk-up street access, the City may consider allowing Selected Respondent to propose that location as a Benchmark Store.

The Commissioner may adopt other reasonable pricing policies, with which the Selected Respondent shall comply. If the City adopts a Value Pricing Policy, that allows concessions to charge a fixed percentage above Benchmark Stores, the Selected Respondent will be allowed to adopt the change. In no event shall the Commissioner require prices lower than the established Value Pricing.

All employees at the Airport will receive a 10% discount on food & beverage and retail items when purchased at Airport concessions. The respondent(s) should offer a similar employee discount program on items or services not already provided.

13. Sustainability in Operations

The Selected Respondent will be required to adhere to sustainable practices as they are established from time to time in the CDA’s Sustainable Airport Manual SAM®.

<https://www.flychicago.com/community/environment/sam/Pages/default.aspx>

14. Minimum Wages and Labor Peace

a. Executive Order on Minimum Wage

In September 2014, Mayor Rahm Emanuel signed an executive order that requires all holders of City concessions leases and subleases executed after October 1, 2014, to pay their employees performing work on City property a minimum wage of \$13.00 per hour; this hourly wage increases annually every on July 1st, in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. The rate as of July 1, 2020 is \$14.15.

When an employer takes an allowance for gratuities pursuant to 820 ILCS 105/3(c), the employer shall base the calculation of amount to be paid by the employer to the employee on the minimum wage as set out in 820 ILCS 105/3 and add \$1.00 per hour to that amount. As of October 1, 2014, the amount to be paid with the gratuity allowance was \$4.95 per hour. Every July 1st, this hourly wage shall increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. The rate as of July 1, 2020 is \$7.65 per hour. The Executive Order applies to O'Hare concessionaires, Selected Respondent(s) will be expected to comply with the Executive Order. For more information see:

<http://chicityclerk.com/legislation-records/journals-and-reports/executive-orders>

b. Minimum Wage Ordinance

On December 2, 2014, the Chicago City Council passed legislation that requires all businesses to increase the minimum wage paid to their workers within the City. Under the new ordinance, Chicago's minimum wage increased from \$8.25 per hour to \$10.00 per hour on July 1, 2015. Thereafter, the minimum wage increased to its current level of \$13.00 an hour, as of July 1, 2019. On November 13, 2019, City Council amended Chapter 1-24.

As of July 1, 2020, the minimum wage for each hour of work performed for an employer by a covered employee is as follows:

- (1) \$14.00 per hour for employers who have 21 or more employees.
- (2) \$13.50 per hour for employers who have more than 3, but fewer than 21 employees, and employers who have more than 0 but fewer than 21 employees who are domestic workers.
- (3) \$10.00 per hour for subsidized temporary youth employment programs, for subsidized transitional employment programs, for covered employees who are under 18 years of age, and those subject to Section 6 of the Minimum Wage Law.

As of July 1, 2020, the minimum wage for each hour of work performed for an employer by a tipped employee is as follows:

- (1) \$8.40 per hour for employers who have 21 or more employees
- (2) \$8.10 per hour for employers who have more than 3, but fewer than 21 employees.
- (3) \$6.00 per hour for subsidized temporary youth employment programs, for subsidized transitional employment programs, for covered employees who are under 18 years of age, and those subject to Section 6 of the Minimum Wage Law.

The Chicago minimum wage increases annually on July 1. Updates to the Chicago minimum wage will be posted to the website of the Department of Business Affairs and Consumer Protection. If the Contractor is required by Executive Order 2014-1 or any other law (e.g., the Prevailing Wage Act) to pay a higher rate, above the generally applicable Chicago minimum wage, that higher rate will apply.

On June 22, 2016, the City Council passed a new section of the Minimum Wage Ordinance, which requires paid sick leave and became effective July 1, 2017, codified at Section 1-24-045 of the Municipal Code of Chicago.

On October 5, 2016, the Cook County Board of Commissioners passed a new section of the Cook County Code of Ordinances, 16-4229, which has a similar paid sick leave requirement and went into effect July 1, 2020.

For employees that are subject to the Executive Order, the higher \$14.15 (as adjusted) minimum wage must be paid.

The text of the ordinance, Chapter 1-24 of the Municipal Code of Chicago, may be found here:

<http://www.amlegal.com/library/il/chicago.shtml>

c. Labor Peace Agreement

The Labor Peace Agreement (“LPA”) ordinance was approved by City Council and became effective on January 21, 2015. An LPA is a written agreement between a concessionaire and a labor organization seeking to represent a concessionaire’s employees. An LPA is not a collective bargaining agreement. Rather, an LPA assures that workers may choose to organize the workplace without repercussions and provides the labor organization certain agreed upon access to a concessionaire’s employees. Further, an LPA prohibits the labor organization from picketing, work stoppage, boycott, or other economic interference in the operations of the concessionaire or with their subcontracts or subtenants.

An LPA must be entered into by the respondent and any subtenants or sublicensees that do not fit the definition of a Small Business under the ordinance. Evidence of a signed LPA must be submitted with respondent’s proposal.

The text of the ordinance, Municipal Code of Chicago section 10-36-210, may be found here:

https://codelibrary.amlegal.com/codes/chicago/latest/chicago_il/0-0-0-2494501#JD_10-36-210

15. Other Terms and General Conditions

- a. Facilities must be open and/or services provided 365 days a year with operating hours and staffing levels that support passenger activity at the Airport. Standard operating hours are from 5:30 a.m. to 10:00 p.m. daily. However, locations may be required to open earlier or stay open later, at the Commissioner's sole discretion. The Selected Respondent may propose, subject to the Commissioner's approval, alternative hours for any location.
- b. From time to time, at the Commissioner's discretion, the Selected Respondent may be required to remain open later than standard operating hours, with enough staffing and inventory, at one or more of its facilities in order to accommodate delayed passengers or other airport operating reasons.
- c. All the Selected Respondent's employees who work at the Airport must apply for and be issued security identification badges by the City prior to beginning work. All applicants for security identification must complete security training and must pass criminal and other background investigations as the City may designate from time to time. Prospective respondents are advised that the City may, at its discretion, change security regulations and requirements from time to time and the Selected Respondent shall comply with all such regulations and requirements. Any fines assessed against the City for security violations by Selected Respondent or its employees, vendors, suppliers, or invitees shall be promptly reimbursed to the City by Selected Respondent.
- d. The Airport is a non-smoking facility.
- e. All Airport tenants shall abide by the policies, procedures and requirements of the Tenant Handbook, including any and all those related to COVID-19.

E. CONCESSION OPPORTUNITY

1. Concession Space

This RFP offers seven (7) concessions packages, as outlined on the table below. The City reserves the right to modify the offerings as necessary. The Terminal Floor Plans (See Data Room) show the location of each offered space. The Lease Outline Drawings (See Data Room) indicate the dimensions of each location. Please note that locations and sizes of the Leased Space are estimates and subject to change at any time without liability to the City.

Package #	Location	Area (Sq. Ft.)	Type	Merchandising	Current Use
1	Terminal 5 West	150	Wall Unit	Grab and Go	New
1	Terminal 5 West	150	Wall Unit	Coffee	New
1	Terminal 5 East	2,491	Inline	Bistro Burger and Bar	New
2	Terminal 5 East	1,815	Inline	Specialty Retail or Duty Free	New
2	Terminal 3- H	253	Inline	Cosmetic	Jewelry
3	Terminal 5 West	1,000	Inline	Bar and Small Plate	New
4	Terminal 3 Main	478	Inline	Multi-line Beverage Bar and Small Plate	Tea
5	Terminal 3 Rotunda	364	Inline	Multi-line Beverage Bar and Small Plate	Tea
6	Terminal 5 East	2,802	Inline	Casual Dining and Bar	New
7	Terminal 5 East	1,297	Inline	Travel Essentials and Coffee	New

2. Scope of Concession Services

Package 1

Merchandising Plan	Area (Sq. Ft.)
Grab and Go	150
Coffee	150
Quick Service- Bistro Burger w/ Bar	2,491
Total Square Footage	2,791

Merchandising	Area (Sq. Ft.)
Grab and Go	150
<ul style="list-style-type: none"> The City is seeking a concept that may include national or local food concepts and brands, including a chef themed offering to increase passenger recognition. The offering should include but not be limited to: sandwiches, salads, snacks, chips, fruit, candies and beverages, including sodas, water, teas, etc. 	

<ul style="list-style-type: none"> • Joint merchandising plan can be submitted with the coffee location in package 1. • Shared point of sale is allowed with the Coffee concession location in package 1. • Location is in Terminal 5-Delta Airlines gate M-1 area 	
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Merchandising	Area (Sq. Ft.)
Coffee	150
<ul style="list-style-type: none"> • The City is seeking a coffee concept with a national or local coffee brand. Products to be sold must include hot coffee. Beverage offerings will include freshly prepared espresso type coffee drinks and tea. Bottled coffee-based drinks, teas, sodas and water may also be offered. The offering may include freshly baked goods, such as muffins, cookies, pastries, rolls and bagels. • Joint merchandising plan can be submitted with the grab and go location in package 1. • Shared point of sale is allowed with the Grab and Go concession. • Location is in Terminal 5-Delta Airlines gate M-1 area 	
Merchandising	Area (Sq. Ft.)
Quick Service- Bistro Burger and Bar	2,491
<ul style="list-style-type: none"> • The City desires offering location is intended for the sale of premium quality burgers and other foods including, but not limited to, chicken sandwiches, vegetarian burgers, salads, side dishes, non-alcoholic beverages, and a full-service bar. The menu should include breakfast items. Given the composition of the space, food will be served on a carry-out basis, with tables available for passengers to sit and eat in a common area. • Location is in Terminal 5- At the beginning of the expansion gates on east side of terminal. 	

Package 2

Merchandising Plan	Area (Sq. Ft.)
Specialty Retail- Cosmetics	253
Specialty Retail or Duty Free	1,815
Total Square Footage	2,068

Merchandising	Area (Sq. Ft.)
Specialty Retail	253
<ul style="list-style-type: none"> The location is designated for a specialty retail offering with a desire to attract beauty, skin care or cosmetic concession. Respondent can recommend secondary merchandising options, i.e. electronic. Location is in Terminal 3-Near Gate H5 which is primary gate of American Airlines. 	

Merchandising	Area (Sq. Ft.)
Specialty Retail or Duty Free	1,815
<ul style="list-style-type: none"> The location is designated for a specialty retail offering specializing in electronics and computer accessories category. The retail offering can be based on a national or airport-based retail concept. Products should include, but not be limited to portable digital media, players, viewers, ear buds, headphones, batteries, chargers, downloadable movies, music and videos. Additional products including game software, game toys, cell phones, smartphones, can be offered. The location can also be merchandised as a duty-free store for the sale of duty-free merchandise including, but not limited to, liquor, tobacco products, fragrances, cosmetics, jewelry, watches, pens, fashion accessories, clothing, cameras and pens. The location may also offer duty-paid merchandise for sale. Location is in Terminal 5-In the terminal expansion area near the future Gate M22. 	

Package 3, 4 and 5

Merchandising Plan	Area (Sq. Ft.)
Bar and Small Plates	1,000
Multi-line Beverages and Bar	478
Multi-line Beverages and Bar	364

Merchandising	Area (Sq. Ft.)
Bar and Small Plates	1,000
<ul style="list-style-type: none"> The location is intended for a full-service liquor bar offering a variety of beer, mixed drinks, wine, craft beer and cocktails. The bar must offer food via small plate options, appetizer style, snacks and sandwiches. The bar can establish an order service with other food concessions in the terminal to deliver orders to bar patrons. The bar concept should be based on local or regional concepts and brands that will be recognized by airport passengers. One side of space maybe connected to Delta Airlines hold rooms. Location is in Terminal 5-Near Delta Airlines Gate M5 	

Merchandising	Area (Sq. Ft.)
Multi-line Beverages and Bar	478
<ul style="list-style-type: none"> The location can offer multi-lines of alcoholic and non-alcoholic beverages including specialty drinks, craft beer, craft cocktails, craft sodas, etc. Small plate snacks must be made available for sale. The bar can establish or advertise an ordering service with other food concessions in the terminal to deliver orders to bar patrons. Location is in Terminal 3 in the main terminal area between Concourse K and L. 	
Merchandising	
Multi-line Beverages and Bar	364
<ul style="list-style-type: none"> The location can offer multi-lines of alcoholic and non-alcoholic beverages including specialty drinks, craft beer, craft cocktails, craft sodas, etc. Small plate snacks must be made available for sale. The bar can establish or advertise an ordering service with other food concessions in the terminal to deliver orders to bar patrons. Location is in Terminal 3 at the beginning of the Rotunda 	

Package 6

Merchandising Plan	Area (Sq. Ft.)
Casual Dining and Bar	2,802

Merchandising
Casual Dining and Bar
<ul style="list-style-type: none"> The location is designated for casual dining with limited table service. The concept should be based on national, regional or local themed food concepts/brands, including chef inspired restaurants. The restaurant must offer a menu that covers all day parts. The restaurant should include a grab-and-go area in its design, where take-out versions of the same food and beverage offerings on the menu are available to patrons. The location must have a separate bar, with a full selection of beers, wines, cocktails, specialty drinks, etc. Customers should be able to order and have delivered food while seated in bar from the restaurant (limited selection). The design of the space and two concepts should complement each other and may be branded together or separately. Location is in Terminal 5 in the terminal expansion area Near Gate M22

Package 7

Merchandising Plan	Area (Sq. Ft.)
Travel Essentials and Coffee	1,297

Merchandising	Area (Sq. Ft.)
Travel Essentials and Coffee	1,297
<ul style="list-style-type: none"> The location is designated as a combination travel essential retail and coffee offering. Travel essentials should include an assortment of newspapers, periodicals, magazines, and other relevant readable. Health and limited beauty items, snacks, bottle beverages, souvenirs (include Chicago themed) should be included. The coffee offering can be a national, local or airport brand. Items to be offered should include hot and cold coffee offerings. Bottled coffee and other beverage products should be included. Location is in Terminal 5-In the terminal expansion area near the future Gate M22. 	

3. Limitations on Awards

No respondent can be awarded more than three packages or 50% of the total locations offered. The City will take into consideration the Respondent's preferences, but intends to make awards to responses that best meet the City's goals for the concessions program.

F. PROPOSAL REQUIREMENTS

The proposal and copies must be submitted as follows:

- Two (2) signed bound paper copy of the proposal.
- Seven (7) USB flash drives containing the complete proposal in electronic files using portable document format (“PDF.” Please embed all fonts). The flash drives must include the proposal in two forms: 1) a single electronic file containing the entire proposal and 2) each tabulated section of the proposal as a separate electronic file.

Proposals must be contained in a sealed envelope or package. The outside of the envelope or package must clearly indicate the name of the project:

“RFP for (RFP Name) at O’Hare Airport.”

The name and address of the respondent must also be clearly printed on the outside of the envelope or package.

Transparency

Consistent with the City's practice of making available all information submitted in response to a public procurement, all proposals, any information and documentation contained therein, any additional information or documentation submitted to the City as part of this solicitation, and any information or documentation presented to City as part of negotiation of a contract or other agreement potentially may be made publicly available.

However, respondents may designate those portions of the Proposal which contain trade secrets or other proprietary data ("Data") which respondent desires remain confidential.

To designate portions of the Proposal as confidential, respondent must:

1. Mark the cover page as follows: "This Proposal includes trade secrets or other proprietary data."
2. Mark each sheet or Data to be restricted with the following legend: "Confidential: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this RFP Proposal."
3. Provide a separate to the required seven (7) a flash-drive with a redacted copy of the entire Proposal or submission in .pdf format which may be shared with the public. Respondent is responsible for properly and adequately redacting any data which respondent desires remain confidential. If entire pages or sections are removed, they must be represented by a page indicating that the page or section has been redacted. Failure to provide a flash-drive with a redacted copy may result in an un-redacted copy being made available to the public.

The redacted copy shall be provided to the City at the same time the proposal is submitted and must only exclude or obliterate those exact portions that are claimed confidential,

proprietary, or trade secret. Indiscriminate labeling of material as "Confidential" may be grounds for deeming a Proposal as non-responsive. Proposer shall be responsible for defending its determination that the redacted portions of its documents, data or records are confidential, trade secret or otherwise not subject to disclosure. Further, Proposer shall protect, defend, and indemnify the City for any and all claims arising from or relating to Proposer's determination that the redacted portions of its proposal are confidential, proprietary, trade secret or otherwise not subject to disclosure.

All Proposals submitted to the City are subject to the Freedom of Information Act. The City will make the final determination as to whether information, even if marked "confidential," will be disclosed pursuant to a request under the Freedom of Information Act or valid subpoena. Respondent agrees not to pursue any cause of action against the City with regard to disclosure of information. If Proposer fails to submit a Redacted Copy with its reply, the City may produce the entire documents, data or records submitted by Proposer in answer to a public records request for these records.

The proposal must include all the following items and documents organized in the following order:

- 1) Cover/Transmittal Letter
- 2) Experience and Qualifications Statement
- 3) Methods of Management and Operations
- 4) Concessions Development Plan
- 5) Airport Concession Disadvantaged Business Enterprise Participation Plan
- 6) Professional References
- 7) Outstanding Claims and Litigation
- 8) Exceptions
- 9) Executed Proposal Affidavit
- 10) Business Information Statement
- 11) Financial Statements
- 12) Other Information
- 13) Labor Peace Agreement
- 14) Sexual Harassment Affidavit
- 15) All Forms

Page limitations have been established for various sections of proposals submitted in response to this RFP as further described below.

- The Cover/Transmittal Letter cannot exceed three pages.
- The Experience and Qualifications Statement cannot exceed 10 pages (except for tables and photographs as requested in the instructions below. Photographs of the Respondent's architectural team's representative projects are not part of the 10-page limit but cannot exceed two pages).
- The Methods of Management and Operations section of the proposal cannot exceed 10 pages.
- The Concessions Development Proposal section of the proposal cannot exceed 20 pages (not including the Proposal Checklist or required divider pages) as further described below.

The "Other Information" section of the proposal cannot exceed five pages.

For purposes of these page limitations, a "page" shall mean a single-sided 8-1/2" x 11" paper with 1" margins on all sides and a standard font of at least 11 point (with the exception of drawings, plans and renderings, which may be provided on single-sided 11" x 17" paper, which shall be considered one "page").

1. Transmittal Letter

Respondent must indicate a mailing address, contact person, telephone and fax numbers, and e-mail addresses, as well as any pertinent facts or details of the proposal which the Respondent desires to emphasize. The Transmittal Letter must include a statement that, if awarded a Concession, respondent commits to develop and perform the Concession a manner consistent with its proposal.

2. Experience and Qualifications Statement

Respondent must provide information as requested related to respondent's relevant concession experience and qualifications, with special emphasis upon prior experience with the ownership, operation, and management of concessions and/or services at airports and other high-volume, high-traffic venues like those proposed. Respondent should also provide details on the pertinent experience of persons who will be directly involved in the development, operation, and management of the proposed concession at the ORD. This section of the Proposal should include information for the respondent and, as appropriate, its constituent entities and subtenants.

For any build-out of concession spaces and/or installation of any facilities, respondent must identify its architectural/engineering team, specifying prior experience in the design of concessions (including resumes and project experience) with photographs of representative projects attached. Also identify any LEED accredited professionals who are members of the proposed design team. As discussed in Section D.4 of this RFP, permit applications must be submitted by an architect who has successfully completed the Buildings

Department Self-Certification Program. The architect does not need to have completed the program by the RFP submittal deadline.

3. Methods of Management and Operations

Describe the specific plan for operation and the services that will be provided. Include the following:

- a. Staffing plan to include the number of management and non-management employees to cover the proposed operating hours for the concession.
- b. Merchandise Logistics including schedules for the delivery of new inventory and procedures for replenishment of stock.
- c. Facility Maintenance Plan including respondent's policy for maintenance and repairs, expected frequency of cleaning and trash disposal, and general schedule for the replacement of equipment, displays, fixtures, and carpeting.
- d. Describe the methods you will use to monitor and remain current with passenger concessions trends during the term of the Agreement.
- e. Provide a Sustainability Plan as it pertains to the operations of the concession, as further described in Section D.12.

4. Concessions Development Plan

Respondent must provide a detailed concessions development plan to cover the development of the proposed concession. Respondent should submit the following information for the location in enough detail to clearly define the proposed concession. This information should include the following detailed descriptions:

1. Concept/System and theme including why each component is best for ORD
2. Proposed menu of services and products and the approximate price range for each category.
3. Sources of merchandise, products, and supplies.
4. Narrative description of the proposed capital improvements.
5. Narrative description of the respondent's sustainability initiatives incorporated in the design and construction of the proposed tenant improvements.
6. Preliminary plans in sufficient detail to allow evaluation of the quality and design of the proposed tenant improvements including:
 - Layout and space plans of the facility showing, reception, points of sales, fixture layout, seating, expected queuing, and other pertinent features.
 - Renderings, sketches, or photo-renderings of the concessions that include the interior and exterior views of the facility and show the overall design of the space, general color scheme, and fixtures.

- Descriptions and photographs that demonstrate the quality of the various materials to be used within the concession. (Respondent is not required to submit materials boards but may do so at its discretion. If respondent chooses to submit materials boards, it does not count as a “page” for purposes of page limitations.)
- Marketing plans and conceptual designs. These plans should show how the concession is planning to market the services to the customer. The marketing plan should include graphic examples.
- All design materials should be included in the proposal.

Proposed Project Schedule

Provide a proposed project schedule with timeline including the initial installation, testing, and go live dates for the concession/system.

Compensation to the City

Provide the proposed License Fee. The “Compensation to the City” subsection must be in the format provided in Proposal Form G.

Projected Sales, Net Income, and Cash Flow

Provide a good faith estimate of the expected annual gross revenue, cost of goods sold, wages and salaries, rent, other direct expenses, general and administrative expenses, depreciation and amortization, and earnings before interest and taxes (“EBIT”) to be derived from the Concession over the Term for the concession. Major assumptions used in developing the sales projections should also be clearly stated.

Caution: The City reminds respondents that, if awarded a Concession under this RFP, the respondent’s minimum compensation will be determined, in part, by respondent’s good faith estimates of gross revenues (or categories thereof, if applicable).

The “Projected Sales, Net Income, and Cash Flow” subsection of the proposal is limited to one page. Respondent may use the income and cash flow statement provided in Proposal Form C or a format of its own choosing if all the information requested on Proposal Form C is presented.

Capital Investment and Financing Plan

Provide a detailed cost estimate for the proposed improvements, including but not limited to hard and soft costs, software and hardware costs, startup costs, etc. for the total Concession. The estimate should list all leasehold and tenant improvements; equipment, furnishings and fixtures; architectural design and engineering fees; and improvements completion bond. Respondent must exclude working capital, initial inventory, franchise fees, training and start-up costs, and other capital investments from this cost estimate.

Respondent may use the sources and uses statement provided in Proposal Form D or a format of its own choosing provided that all of the information requested on Proposal Form D is presented.

Respondent should specify the source of funds (cash, bank loan, etc.) for the capital improvements. Respondent must provide evidence of its ability to finance and undertake the monetary commitment required to successfully develop, construct, and operate the proposed Concession. Generally, this means that the sum of respondent's i) net working capital, ii) cash flow from existing operations, and iii) demonstrated access to credit or equity from external sources must be greater than the proposed investment in the Concession.

If respondent is relying on financial resources of a parent entity, joint venture partner, partner, or non-affiliated external source(s), then respondent must submit sufficient documentation, as specified herein, satisfactory to show that it meets the minimum financial capability qualification. Moreover, a corporate guaranty from any such parent entity or external source may be required to ensure respondent's ability to complete the Concession Development Plan.

5. Airport Concession Disadvantaged Business Enterprise Participation Plan

Respondent must provide an ACDBE Participation Plan that identifies the names of respondent's ACDBE participants, indicates each ACDBE participant's relationship with the respondent (e.g., subtenant, joint venture partner, supplier), describes the role of each ACDBE participant in the development, management and operations of the concession, and states each ACDBE participant's financial commitment toward the respondent's initial capital investment. Use the format provided on Proposal Form E.

In addition, respondent must also include an executed Affidavit of ACDBE Goal Implementation Plan Commitment to Participation by Airport Concession Disadvantaged Business Enterprises (Schedule D in Proposal Form F), and executed letters of intent from each proposed ACDBE participant as appropriate (Schedule C in Proposal Form F) or executed Affidavit of ACDBE Joint Venture (Schedule B in Proposal Form F), if respondent is organized as a joint venture.

In the event respondent's ACDBE Participation Plan does not identify participation by ACDBEs equal to or greater than the aspirational goal for this RFP, then respondent must provide evidence of good faith efforts to meet the aspirational goal. Examples of good faith efforts, as well as documentation needed to demonstrate good faith efforts, are shown in Section VI of the Special Conditions Regarding Airport Concession Disadvantaged Business Enterprise (ACDBE) Commitment attached hereto as FORM E. **Please note that submission of an application for ACDBE certification by a prospective ACDBE participant, in the absence of other efforts, DOES NOT constitute good faith efforts.**

Please see Section D.6 above for additional information regarding ACDBE participation under this RFP.

6. Professional References

Respondent must list three airport and/or landlord contacts from where it currently operates a facility or facilities like those being proposed for this offering. These references must be the respondent's primary contacts for day-to-day issues at the property. Respondent should use the format shown in Proposal Form J for each reference.

7. Outstanding Claims and Litigation

Respondent, or any individual or entity with an ownership interest, direct or indirect, in the Respondent, should not be in default nor have any past due amounts or arrearages on any previous or existing contract, or other financial obligations, to the City, the State of Illinois, or any political subdivision of the State of Illinois. If respondent meets any of these conditions, information must be provided.

Respondent must also provide a listing and a brief description of all material legal actions it has been involved in, together with any fines and penalties incurred, within the past five (5) years in which a) respondent or any division, subsidiary or parent entity of respondent, or b) any member, partner, etc., of respondent if respondent is a business entity other than a corporation, has been:

- i. A debtor in bankruptcy; or
- ii. A plaintiff or defendant in a legal action for deficient performance under a contract or violation of a statute or related to service reliability; or
- iii. A respondent in an administrative action for deficient performance on a project or in violation of a statute or related to service reliability; or
- iv. A defendant in any criminal action; or
- v. A named insured of an insurance policy for which the insured has paid a claim related to deficient performance under a contract or in violation of a statute or related to service reliability; or
- vi. A principal of a bond for which a surety has provided contract performance or compensation to an obligee of the bond due to deficient performance under a contract or in violation of a statute or related to service reliability; or
- vii. A defendant or respondent in a governmental inquiry or action regarding accuracy of preparation of financial statements or disclosure documents.

The City reserves the right to disqualify any respondent that has pending litigation or claims, or if such proposal includes any individual or entity with an ownership interest, direct or indirect, in respondent, a proposed subcontractor, subtenant, or supplier that has pending litigation or claims, if the City determines, in its sole discretion, such litigation or claims may adversely affect the ability of the parties to work efficiently and effectively under the contract contemplated by the RFP.

8. Exceptions

Respondents should include a list and discussion of exceptions, if any, to the requirements of this RFP, Sample Agreement, and any addenda. Identify the requirement, nature of the exception and explanation. If no exceptions are identified and respondent's proposal is accepted, respondent is expected to conform to all the requirements specified herein including, in particular, execution of a contract substantially similar to the Sample Agreement attached hereto. The City, in its sole discretion, shall determine whether substantive or extensive exceptions render the proposal non-responsive.

Note: the proposer may include alternative deal terms in the Exceptions section for the City to consider. These deal terms may include rental options as long as they are no less than the financial equivalent of what is proposed in the main body of this proposal.

9. Executed Proposal Affidavit

Respondent must include an executed proposal affidavit in the form of Proposal Form K to acknowledge that a) respondent has received all sections, material, and addenda (if any) comprising this RFP; b) respondent's proposal is based upon all of the terms and conditions set forth in this RFP; and c) respondent specifically agrees, if awarded a Concession, to operate the Concession in the manner set forth in the Proposal. Alterations, additions, and/or modifications to the form of affidavit will not be accepted and may be cause for rejection of the respondent's proposal.

10. Business Information Statement

Respondent must include a separate Business Information Statement for the respondent and all other entities and individuals as instructed on Proposal Form L. Statements must be complete and accurate. Information that is incomplete, conditional, ambiguous, obscure, or which contains alterations not called for, or irregularities of any kind, may be caused to deem a proposal non-responsive. By submission of this proposal, the Responding Parties acknowledge and agree that the City has the right to make any inquiry or investigation that the City deems appropriate to substantiate or supplement information contained in this statement and hereby authorizes the release of any and all information sought in such inquiry or investigation to the City.

Respondent must include an organization chart showing each entity for which a Business Information Statement is required.

During the evaluation process, respondents may be required to complete an Economic Disclosure Statement and Affidavit ("EDS"); it will be required of Selected Respondent prior to award. Further information about this document may be found here:

http://www.cityofchicago.org/city/en/depts/dps/provdrs/comp/svcs/economic_disclosures_tatementseds.html

Entities should not submit a Proposal unless they are willing to provide a complete EDS package.

11. Financial Statements

Respondent must submit the following financial statements:

- For respondents currently organized as a corporation, partnership, LLP, LLC or joint venture, complete financial statements, including a balance sheet, income statement and statement of cash flows, prepared in accordance with generally accepted accounting principles, for the current fiscal year-to-date, and the most recent three complete fiscal years. Footnote disclosures, if any, must be submitted with all financial statements. If available, financial statements audited or certified by an independent certified public accountant should be submitted; otherwise, a notarized statement certifying the accuracy of the financial information and signed by an officer of the respondent must accompany the financial information
- If respondent is a wholly owned subsidiary of another entity, then the above-referenced financial information of the parent entity must also be submitted.
- For a respondent who intends to form a joint venture or other new corporation, partnership, LLP or LLC in order to respond to this RFP, then the complete financial statements, including a balance sheet, income statement and statement of cash flows, prepared in accordance with generally accepted accounting principles, for the current fiscal year-to-date, and the most recent three complete fiscal years (or in the case of individuals, the three most recent personal tax returns and a current statement of net worth) of each majority-interest partner, LLC/LLP member, joint-venturer, or shareholder must be submitted.
- If respondent intends to operate as a sole proprietorship, then the three most recent personal tax returns and a current statement of net worth must be submitted.

If respondent is relying on the financial resources of an affiliated entity to meet the qualifications of this RFP, then respondent must submit i) the above-referenced financial information for the affiliated entity; ii) a description of the relationship between affiliated entity and respondent including, but not limited to, the percentage of ownership and management structure; and iii) documentation from the affiliated entity authorizing the respondent to rely on its financial resources.

If respondent is relying on credit to meet the minimum financial qualifications of this RFP, then respondent must demonstrate the availability of credit to meet the minimum requirements of the proposed concession.

The City reserves the right to obtain, at no cost to the respondent, a financial report, or other credit reports, on the responding parties to facilitate its financial evaluation of the respondent's proposal.

12. Other Information

Respondent should provide any other information that it believes would be helpful in evaluating the respondent's ability to successfully develop and operate the concession.

13. Labor Peace Agreement

Complete and submit acknowledgements of Labor Peace Agreement regulatory requirement (Proposal Form H). Entities claiming the small business exemption should submit Proposal Form I in lieu of Proposal Form H. Failure to provide either Proposal Form H or Proposal Form I for respondent and all applicable partners and subtenants may result in the proposal being deemed non-responsive.

14. Sexual Harassment Affidavit

Complete and submit affidavit (Proposal Form M) in accordance with requirements set forth in Section 2-92-612 of the Municipal City Code.

G. EVALUATION CRITERIA

All proposals will be reviewed and evaluated by an evaluation committee appointed by the Commissioner (for purposes of this Section G, the “Committee”), which will recommend to the Commissioner one or more respondents for award of the subject concessions as described in Section C.8 above. In addition to any criteria set forth elsewhere in this RFP, weights have been assigned to each of the following evaluation criteria based on a 100-point scale. Scoring occurs after interviews (if any) have been completed.

Evaluation Criteria

<p>Experience and Qualifications</p> <p>The Committee will consider the respondent’s experience and qualifications based on an assessment of its prior experience at other airports or similar high-traffic venues. This criterion includes, but is not limited to, factors such as the comparative size, number and performance of the respondent’s other businesses, respondent’s experience with the proposed concept, references, and the experience and qualifications of designated on-site management. This criterion also includes an assessment of the respondent’s ability to financially support the proposed improvements. The evaluation under this criterion shall apply to the respondents and all constituent entities of respondent.</p>	15 Points
<p>Concept/System Plan and Services</p> <p>The Committee will consider the respondent’s proposed concession/system plan including, but not limited to, factors such as systems and integration, space utilization, quality and variety of products and services available to passengers and employees. Product offerings and pricing levels to passengers will also be considered.</p>	30 Points
<p>Facility/System Design</p> <p>The Committee will consider the physical and/or the systems design and installation of the proposed concession, including but not limited to, factors such as innovation; creativity of design concepts; quality of materials; floor plans; presentation of themes; circulation and queuing; uses of technology; graphics and signage; and visual interest, etc..</p>	25 Points
<p>Management and Operations Plan</p> <p>This criterion includes, but is not limited to, staffing levels; corporate management support; inventory logistics; employee training; customer service programs; and facility maintenance schedules Sustainable designs and use of recycled or recyclable materials for the packaging of products sold.</p>	20 Points
<p>Compensation to the City</p> <p>Evaluation of this criterion is based on the total compensation proposed by respondent. The ability of the respondent to finance the project will also be evaluated.</p>	10 Points

The City may also consider the past performance of the respondents on other leases or contracts with the City or other entities in terms of quality of concession or business operation and reputation. The Department may solicit from other departments of the City, other government agencies, or any other available sources relevant information concerning the respondent’s record of past performance.

Responses also will be evaluated to ensure compliance with all applicable local, city, state and federal laws, ordinances, statutes, and regulations. Compliance with the City and Federal Aviation Administration regulations and requirements including but not limited to Disclosure

of Ownership Interests Ordinance (Chapter 2-154 of the Municipal Code of Chicago); the State of Illinois - Certification Affidavit Statute (Illinois Criminal Code); State Tax Delinquencies (65 ILCS 5/11-42.1-1); Governmental Ethics Ordinance (Chapter 2-56 of the Municipal Code of Chicago); Anti-Scofflaw Ordinance (Section 2-92-380 of the Municipal Code of Chicago); the MacBride Ordinance (Section 2-92-580 of the Municipal Code of Chicago); the Anti-Bribery Ordinance (Section 2-92-320 of the Municipal Code of Chicago); and Americans with Disabilities Act (P.L. 101-336 (1990)).