

CHICAGO O'HARE INTERNATIONAL AIRPORT
REQUEST FOR PROPOSALS TO LEASE, DEVELOP, AND OPERATE A CONVENIENCE
AND VENDING CONCESSION AT THE O'HARE AIRPORT MULTIMODAL FACILITY
September 11, 2018

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 a dual-purpose convenience and vending concession ("Concession") at the Chicago O'Hare International Airport ("Airport") Multimodal Facility ("MMF"). This Request for Proposals ("RFP") contains a package for one location at the MMF, as further described herein.

The goals of the concession program are to: (1) provide first-class service and quality food, beverage and merchandise to travelers, car rental customers and employees; (2) provide concession services in a facility that will serve as an entry and destination point for travelers and employees accessing the Airport; (4) provide business opportunities for Airport Concessions Disadvantaged Business Enterprises ("ACDBE"s); and (5) optimize concession revenues to the Airport.

The City desires a dual-purpose concession be established in the MMF, currently under construction and anticipated to open in the fall of 2018. The goal is to provide a combination of concession products and services via the proposed Concession, which will be located on the Customer Service Center Level 1 of the MMF. Products to be offered will include food, beverages, coffee, packaged snacks, convenience items, etc. The Concession will also be required to have an adjacent area of automated vending to accommodate passengers and employees on a 24-hour basis.

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. Capitalized terms not defined here have a meaning in the attached sample agreement.

PROPOSALS SUBMITTED IN RESPONSE TO THIS RFP WILL BE ACCEPTED UNTIL
5:00 P.M. CENTRAL TIME ON October 26, 2018.

A. CONTENTS

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

Request for Proposal

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

Proposal Forms

- A. Experience and Qualifications
- B. Concept Plan
- C. Projected Gross Receipts
- D. Capital Investment and Financing Sources
- E. Airport Concession Disadvantaged Business Enterprise Plan
- F. Airport Concession Disadvantaged Business Enterprise Forms
- G. Proposed Concession Fee Rates
- 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

Reference Material

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

- 1. Request For Proposal
- 2. Proposal Forms
- 3. MMF Floor Plan
- 4. Lease Outline Drawing of Concession Location
- 5. Projected Passenger/Traffic Activity for MMF, including ATS schedule
- 6. Historical and Projected O'Hare Passenger/Traffic Activity
- 7. Future Development Plans
- 8. Sample Form Agreement
- 9. Special Conditions Regarding Airport Disadvantaged Business

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.

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B. DESCRIPTION OF EXISTING OPERATIONS

Project Background – Multimodal Facility at Chicago O'Hare International Airport

The Multimodal Facility (MMF) at Chicago O'Hare International Airport, is a component of the O'Hare Modernization Program and includes the relocation and consolidation of rental car operations and public parking into a multi-use facility at the airport. As part of the overall project, the existing Airport Transit System (ATS), a 24-hour rail system that serves terminals and parking structures, will be extended to serve the new facility and a new ATS station connected to the MMF. A new bus plaza accommodating bus services, off-airport hotel, and other commercial shuttles also will be connected with the MMF. Excess surrounding land will be used for new commercial development. The facility combines all of these operations into one space that creates a gateway for the airport.

The facility is located on the site of a former surface parking lot located at Mannheim and Zemke Streets in the northeastern quadrant of O'Hare International Airport. The MMF will provide approximately 4,100 rental car parking spaces on levels one through three of the structure. A customer lobby will be located on level four, adjacent to the ATS station. The project will also replace approximately 3,000 uncovered parking spaces with 2,000 covered spaces dispersed over two levels of the facility with design options to allow for further expansion of the public parking. These new parking spaces will have direct access to the ATS and existing Metra Rail stop. The connection to Metra Rail will allow those riders to access terminals via the ATS as well as the Blue Line to downtown Chicago.

In 2017, over 79 million passengers used Chicago O'Hare International Airport (the "Airport" or "O'Hare"). The Airport is one of the few airports in the world with multiple hubs: both United and American operate connecting hubs at the Airport, and together comprised more than 80 percent of passenger activity in 2017. The ATS allows passengers and employees to access Terminals 1, 2, 3 and 5.

CDA has also secured the development of two additional commercial projects that will positively impact the traffic and usage of the MMF. The development is adjacent to the MMF site and located between the Multimodal facility, Mannheim and Zemke Road (see data room for development overview). Beginning in 2020, development of a commercial office building, estimated at 200,000 square feet, is planned to commence. Concurrently, the development of an estimated 180 room select service hotel is planned to begin. Both projects are scheduled for completion in 2022-3.

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
Issue Date	September 11, 2018
Pre-Proposal Registration Deadline	September 21, 2018, 5:00 p.m.
Pre-Proposal Meeting	September 24, 2018, 10:00 a.m. to 12:00 p.m.
Question Deadline	October 3, 2018, 5:00 pm
Due Date	October 26, 2018, 5:00 pm

2. Proposal Due Date and Time

Proposals must be received by the City, in the format and number specified in Section F, at the address listed below no later than 5:00 p.m. Central Time on October 26, 2018 (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. The City has established a secured file transfer site to allow respondents to upload an electronic version of the proposal. The City will require both a physical and electronic version of the proposal to be submitted. Deliver physical proposals to:

Glen Ryniewski
Assistant Commissioner of Concessions
Chicago Department of Aviation
10510 W. Zemke Road
Chicago, Illinois 60666

Electronic versions of the proposal must be uploaded no later than 5:00 p.m. Central Time on the Due Date. Respondents should email MMFRFP2018@cityofchicago.org for access to file transfer site.

3. Pre-Proposal Meeting and Tour

The City will hold a pre-proposal meeting and tour on September 24, 2018. All interested parties are invited to attend the non-mandatory meeting. The City will address questions regarding the RFP at the pre-proposal meeting and will respond both to questions raised at the meeting and to questions delivered prior to the meeting in accordance with the procedures of this RFP. During the meeting, the City will conduct a tour of the MMF and the offered location.

The pre-proposal meeting and tour will be held on September 24, 2018 at 10:00 a.m. local time at the Chicago Department of Aviation Administration Building, Conference Room #1, located at 10510 W Zemke Rd, Chicago, IL 60666. All attendees must register by sending an email to MMFRFP2018@cityofchicago.org and include in the subject: MMF Pre-Proposal Meeting, in order to attend the meeting.

4. Questions and Interpretation of the RFP

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

MMFRFP2018@cityofchicago.org

Only written questions will be accepted and must be submitted no later than 5:00 p.m. CST, October 3, 2018. 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) The City advises prospective respondents to check the website frequently for any addenda that may be issued.

5. Submission of Proposal

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 a 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.

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 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 fast food restaurant, convenience store or coffee stand. 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 Enterprise ("ACDBE") participation plan that meets the requirements for ACDBE participation in concessions at the Airport as further described in Section D.6 below.

7. Proposal Withdrawal

Proposals may be withdrawn by written request at any time prior to 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 Concession 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, Selected Respondent must a) submit to the Commissioner for approval, a concept plan, preliminary design, and a construction and facility 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 attached hereto (Attachment B), 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 Economic Disclosure Statement (s). If a Selected Respondent fails to execute the Agreement and complete the Economic Disclosure Statement (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-responsibility, 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 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 in two, one-year options. The extension will be considered if the total square footage is expanded and additional capital investment is required to be made.

At this time, the City anticipates that the location included in this RFP will be delivered to the Selected Respondent(s) in the last quarter of 2018. 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 \$250 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 License Fees, Additional Rent, and any liquidated damages specified in the Concession Agreement for non-compliance with requirements for concession operations.

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.

The City has established the MAG for the first and second years of the Term. This amount is not a "biddable" item. Any Respondent who proposes a different MAG, will be deemed non-responsive and eliminated from further consideration of award. The MAG will be pro-rated in the event the first Lease Year is less than 12 months. In the third and later 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 MAG for the first full Lease Year. The City has established the initial MAG at \$75,000.

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 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 14%
News, Convenience and Gifts	12% to 15%
Automated Vending	10% 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 90 days after obtaining possession of said portion of the Leased Space.

3. Other Fees

a. Marketing Fee

Selected Respondent will pay a marketing fee of \$1,500 per year for 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.

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, the County leasehold tax.

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 equal to 25% of first full Lease Year MAG in the form of an irrevocable letter of credit issued in favor of the City or a cash deposit. The letter of credit will not be required to be adjusted, even as the MAG increases or decreases throughout the term

5. Capital Investment and Improvements

Selected Respondent must redevelop all portions of the Leased Space in accordance with the approved Development Plan. The Agreement will include a provision that the minimum initial capital investment in the Concession space (to include leasehold improvements; fixtures, furnishings and equipment; and design and engineering costs, not to exceed 15% of construction costs) will total at least 95% of the amount specified in Selected Respondent's proposal. The City requires a minimum capital investment of \$300 per square foot.

The Selected Respondent must design and construct the Leased Space to conform to design standards as set forth in Tenant Design and Construction Procedures Manual ("TDCPM"). 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 TDCPM, 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.

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 Selected Respondent in the current condition, "as is / where is." Selected Respondent will be required to buildout the Leased Space 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 at the Airports Going Green website: <http://www.airportsgoinggreen.org/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.7 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, a 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 C ("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 with any combination of construction and design contracts. The respondent is requested to 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 of Chicago, 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 of Chicago in both unskilled and skilled labor positions. The respondent is requested to 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 65 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. Respondents considering a joint venture with an ACDBE are advised to refer to the US Department of Transportation's ACDBE Joint Venture Guidance available online at:

www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program

A respondent must demonstrate compliance with the aspirational goal for ACDBE participation by (1) identifying in its proposal (through completion of Attachment L and the appropriate schedules in Attachment M) the certified ACDBEs that will participate in the concession (including the nature and percentage of such participation) and/or, to the extent that it has not met the aspirational goal, (2) demonstrating in its proposal the good faith efforts it has undertaken to achieve the City's aspirational goal. 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 responsible. In either case, the respondent will

not be eligible for contract award under this RFP. *Please note that 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 any utility connections necessary to undertake the proposed concession services. All utilities to the Leased Space will be separately metered wherever practical. 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 the 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.

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 MMF will provide Storage Space. 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 MMF, an amount equal to 1.5% of the annual MAG as described in Section D.2 of this RFP.

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 MMF 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 as the price charged for the same product or service at similar stores in the City (each hereinafter referred to as a "Benchmark Store"). Benchmark 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 of Chicago, 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 of Chicago, 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.

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®.

<http://www.flychicago.com/OHare/EN/AboutUs/Sustainability/Sustainable-Airport-Manual.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, 2018 is \$13.80.

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, 2018 is \$7.45 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>

or

<http://www.chicityclerk.com/file/5500/download?token=moL92y5w>

(direct download link)

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 of Chicago. Under the new ordinance, Chicago's minimum wage increased from \$8.25 per hour to \$10.00 per hour on July 1, 2015. The minimum wage increased by \$0.50 per hour in July 2016 to \$10.50 per hour and again in July 2017 to \$11.00. After that, the minimum wage will go up \$1.00 per hour in July 2018 and in July 2019 to reach the \$13.00 an hour target. After 2019, yearly increases would be pegged to the local consumer price index, with a limit of 2.5%, if the unemployment rate stays below 8.5%. However, for employees that are subject to the Executive Order, the higher \$13.80 (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>

Direct link:

[http://www.amlegal.com/nxt/gateway.dll/Illinois/chicago_il/title1generalprovisions/chapter1-24thechicagominimumwageordinanc?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:chicago_il\\$sanc=JD_Ch.1-24](http://www.amlegal.com/nxt/gateway.dll/Illinois/chicago_il/title1generalprovisions/chapter1-24thechicagominimumwageordinanc?f=templates$fn=default.htm$3.0$vid=amlegal:chicago_il$sanc=JD_Ch.1-24)

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, a 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.

A 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:

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

Direct link:

[http://www.amlegal.com/nxt/gateway.dll/Illinois/chicago_il/title10streetspublicwayspark_sairportsand/chapter10-36parksplaygroundsandairports?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:chicago_il\\$sanc=JD_10-36-210](http://www.amlegal.com/nxt/gateway.dll/Illinois/chicago_il/title10streetspublicwayspark_sairportsand/chapter10-36parksplaygroundsandairports?f=templates$fn=default.htm$3.0$vid=amlegal:chicago_il$sanc=JD_10-36-210)

15. Other Terms and General Conditions

- a. Facilities must be open 365 days a year with operating hours and staffing levels that support passenger activity at the Airport and MMF. 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. The vending machines to be included in the concession will be required to be accessible 24 hours per day.
- 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 sufficient staffing and inventory, at one or more of its facilities in order to accommodate delayed passengers or other airport operating reasons.
- c. All of the Selected Respondent's employees who work at the Airport and MMF 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 will 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 MMF is a non-smoking facility.

E. CONCESSION OPPORTUNITY

1. Concession Space

The City offers the opportunity to develop and operate a convenience and vending machine concession at the MMF. The retail operation will be located in the first floor lobby, directly across from the main customer counters of the various car rental agencies. The MMF Floor Plans (Attachment D) show the location of the offered space. The Lease Outline Drawings (Attachment E) indicate the dimensions of the available space. Please note that location and size of the Leased Space are estimates and subject to change at any time without liability to the City. The City reserves the right, at the Commissioner's discretion, to modify the concession spaces in accordance with the terms of the Agreement. The respondent should be prepared to develop the concession within the estimated 500 square feet. The space may be expanded to 1000 square feet after the second year of the Term

2. Scope of Concession Services

The City seeks qualified individuals or entities to lease, develop, and operate the requested Concession. To assist respondents in developing proposals, a brief description of appropriate products and services to be provided are listed below. The descriptions are intended to provide examples of the types of products and services that may be offered by the concessionaire. The City is committed to developing an innovative concessions program that incorporates the highest level of quality in a unique environment. Specific guidelines and restrictions for each category are included in the descriptions.

Selected Respondent must develop a high quality, convenience and vending concession:

- The space should be configured to allow the convenience concession to operate during the times outlined earlier in the RFP. The vending portion should be adjacent and allow for 24-hour access by passengers and MMF employees.
- Offer a variety of hot and cold food items for example deli sandwiches, breakfast sandwiches, pizza, Panini, salads, etc. Concession should offer freshly made and pre-packed product options.
- Fresh and pre-packaged snack items should be offered. Examples include donuts, muffins, pastries, fruit, yogurt, potato chips, pretzels, popcorn, cookies, nuts, dried fruit, frozen yogurt, variety of candies, chewing gum, etc.
- Beverage offerings will include an espresso bar with freshly brewed espresso type coffee drinks, tea, bottled soda, water, teas and juices. Bottle coffee based drinks may also be offered. Normal beverage delivery systems are not required for the concession, but freestyle machines and grab and go coolers should be incorporated. No alcoholic beverages.

- Equipment to facilitate preparation of both hot and cold items needs to be incorporated. Refrigeration, freezer and other kitchen related equipment will be required to support the respondent's food offering. The space will not allow for kitchen venting.
- Seating area with tables and chairs for customers will be incorporated in the adjacent common area space, but will not be considered part of the concession's Leased space. Selected Respondent will be responsible for purchasing the tables and chairs for the seating area. The chairs and tables shall be submitted to the CDA for review and approval and, to the extent possible, be compatible and complimentary to other furniture and finishes in the building. Selected Respondent will be responsible for daily cleaning and maintenance of the seating area and related equipment. Proposals should include the number of tables and chairs planned for the concession, with a minimum of five (5) tables and 20 chairs included.
- Vending machines should offer hot and cold beverages, foods, snacks and candy. Respondent should recommend the number of machines, the type and quality of the vending offerings.
- Convenience items should be offered. For example, aspirins, pain medicines, antacids, lip balms, tissue paper, newspapers, etc. should be considered as part of the convenience offerings.
- All other merchandise must be approved by the CDA prior to offering to passengers. After approval this merchandise may be placed on display within the concession.
- Selected Respondent will be allowed to place limited signage, as approved by the CDA, within the facility, but no signage can be affixed to the exterior of the building.

F. PROPOSAL REQUIREMENTS

The proposal and copies must be submitted as follows:

- One signed bound paper copy of the proposal
- Five 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.
- An electronic version of the proposal must be uploaded to secured file transfer site established by the City. Additional instructions will be provided during pre-proposal meeting.

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 MMF Concession 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 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 of 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

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 retail experience and qualifications, with special emphasis upon prior experience with the ownership, operation, and management of common use, exclusive use or business lounge concessions at airports and other high-volume, high-traffic venues similar to 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 MMF. This section of the Proposal should include information for the respondent and, as appropriate, its constituent entities and subtenant.

Respondent must identify its architectural 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.5 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.13.

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 sufficient detail to clearly define the proposed concession. This information should include the following detailed descriptions:

1. Concept and theme
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 lounge 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.)
- All design materials should be included in the proposal.

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 provided that all of the information requested on Proposal Form C is presented.

Capital Investment and Financing Plan

Provide a detailed cost estimate for the proposed improvements 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 Attachment C. **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 similar to 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 of exceptions, if any, to the requirements of this RFP, Sample Form of 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 of the requirements specified herein including, in particular, execution of a contract substantially similar to the Sample Form of Agreement attached hereto as Attachment B. The City, in its sole discretion, shall determine whether substantive or extensive exceptions render the proposal non-responsive.

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 cause 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 Dun and Bradstreet 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

Experience and Qualifications	15 Points
<p>The Committee will consider the respondent's experience and qualifications based on an assessment of its prior experience at Chicago Midway, Chicago O'Hare, and 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 fund the proposed improvements. The evaluation under this criterion shall apply to the respondent and all constituent entities of respondent.</p>	
Concept Plan and Services	25 Points
<p>The Committee will consider the respondent's proposed concession plan including, but not limited to, factors such as 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>	
Facility Design	15 Points
<p>The Committee will consider the physical design and construction 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.</p>	
Management and Operations Plan	20 Points
<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>	
Compensation to the City	25 Points
<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>	

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 of Chicago 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)).