REQUEST FOR PROPOSALS
HARRISBURG INTERNATIONAL AIRPORT
CONCESSIONS
TERMINAL BUILDING
CASUAL DINING RESTAURANT, FAST FOOD, SPECIALITY RETAIL

SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY
ONE TERMINAL DRIVE, SUITE 300
MIDDLETOWN, PA 17057
JUNE 2023

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ATTACHMENTS

The Attachments which are referenced in this RFP document are available at www.FlyHIA.com under "Doing Business With Us, Concessions RFP" and then click on "Important Documents":

Attachment A:	Proposal Acknowledgement Document
Attachment B:	Required Proposal Documents
Attachment C:	Proposal Bond
Attachment D:	Irrevocable Letter of Credit
Attachment E:	Experience Statement
Attachment F:	Capital Investments
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Attachment I:	Draft Concession Agreement

1.0 OFFERING

1.1 INVITATION

The Susquehanna Area Regional Airport Authority (SARAA) is seeking qualified individuals, corporations and LLCs to join our successful concessions program at Harrisburg International Airport's (HIA) main terminal located at One Terminal Drive, Middletown, Pennsylvania, 17057.

Opportunities include casual dining, specialty retail, and fast-food operations.

Interested parties shall have three (3) years of experience operating a business in the food, beverage or retail industry.

Interested parties may download the RFP/instructions from the HIA website at www.flyhia.com under Business & Advertising Opportunities, Airport Projects.

Sealed Responses (one original, five copies and one electronic copy on a flash drive) must be submitted to SARAA, One Terminal Drive, Suite 300, Middletown, PA 17057 by **12:00 P.M. EST on June 2, 2023,** labeled CONCESSIONS PROPOSALS.

1.2 BACKGROUND

The Susquehanna Area Regional Airport Authority (SARAA) is a joint municipal authority created in 1998, under the Pennsylvania Municipality Authorities Act of 1945, to own and operate an airport system. It was created by the counties of Dauphin, Cumberland, and York, the cities of Harrisburg and York, and the townships of Lower Swatara and Fairview. SARAA's Board of Directors are volunteer community leaders appointed to staggered five-year terms by elected officials from the government entities. The airport system consists of Harrisburg International Airport, as the commercial airport, and three general aviation airports, Capital City Airport, Franklin County Regional Airport and Gettysburg Regional Airport.

Harrisburg International Airport (HIA) is a small hub, commercial service airport situated on approximately 760 acres of land in Middletown, PA, about 10 miles southeast of the capital city of Harrisburg. On August 2004, SARAA opened the doors to its new terminal building at HIA, claimed to be the first multi modal and intermodal transportation facility built after the September 11 terrorist attacks. More than 1.2 million air travelers fly through HIA annually, presenting a wealth of business opportunities inside the airport and beyond. As of January 2022, five major/national airlines (American, Delta, United, Allegiant, and Frontier) provide scheduled service to and from HIA.

The Authority is responsible for the operations, management, and development of the Airports. The Authority staff is classified by functional department, and all department Deputy Directors report to the Executive Director, who in turn reports to the Board of Directors.

SARAA is seeking to expand its current concessions offered to its passengers, employees, and vendors within the main terminal at HIA.

Our current concessionaires are Dunkin Donuts, Auntie Anne's, Subway, HMS Host (Phillips Seafood, Capital Café, and Starbucks), Hudson (Hudson News), Perfectly Pennsylvania, and Sensory Therapeutic Massage.

2.0 DESCRIPTION OF OPPORTUNITY

This section describes the concession opportunities being offered in this package, the parameters of the proposal process, and the information that will be required.

2.1 ASSIGNED PREMISES AND TERM FOR AWARD

The opportunities presented in this Package are for non-exclusive concession privileges in the Assigned Premises, from which the Proposer shall have the right, privilege and obligation to operate continuously, and without interruption, throughout the Term, which will be set forth in the Concession Agreement. The Assigned Premises are presented in **Exhibit 7.2**. The Successful Proposer will receive the Assigned Premises in an "as is" condition.

Proposed Concepts:	Full-Service Restaurant, Specialty Retail, and Fast Food
Space	Post Security Concourse C, Areas 2100, 2001
Current	New Space
Location:	Concourse C
Size: up to 3,992sq. ft.	Space and layout customizable. The maximum square footage available is 3,992. See Exhibit 7.2
Term:	Ten (10) years

2.2 SCHEDULE FOR SUBMISSION, AWARD AND CONSTRUCTION

Presented below is the schedule for Release, Request for Proposals Submission, and Award of this opportunity:

Proposal and Award Schedule	Dates
Release RFP	April 28, 2023
Proposal due 12:00 P.M. EST	June 2, 2023
Anticipated Award of	June 30, 2023
Execution of Concession	July 26, 2023
Construction Completion	TBD at time of execution of agreement.

SARAA reserves the right to extend the Proposal submittal date, if needed. All changes or clarifications will be distributed to all Proposers in the form of addenda.

2.3 REQUIRED/DESIRED SERVICES

This RFP seeks qualified, experienced operators to manage the Assigned Area and provide innovative services, products, and amenities to our traveling public in a manner that supports SARAA's objectives.

Specific objectives for the food & beverage concessions and specialty retail are:

- Increase the number of regionally themed concessions, including food & beverage concepts with menu items that showcase the Central Pennsylvania area.
- Incorporate concepts that offer significant variety to the customer;
- Enhance the customer experience for passengers and employees of the Airport;
- Provide customers with innovative menus in recognizable local, regional, and international branded concepts;
- Promote the use of organically grown and local products. When a concession is using a locally grown or locally produced product, the concessionaire should promote the use of this product by signage or other type of materials to inform the customer;
- Optimize concession revenues to the Airport.

SARAA strongly encourages Proposer to consider these goals when assessing these concessions opportunities.

The Successful Proposer shall be required to comply with the following Concept Requirements, and Non-Permitted Menu Items/Services/Products for the Assigned Premise:

General Restaurant Concept Casual Dining Requirements (Exhibit 7.2):

- All menu items purchased for consumption within the facility shall be presented to the customer in a manner similar to a casual dining facility off-airport including the use of china, glasses, and metal utensils or high-end plastic flatware and utensils.
- The Successful Proposer, if operating a branded concept, shall accept that brand's coupons and gift cards. The Successful Proposal shall also participate in a minimum number of the brand's street side promotions.
- An active, qualified, and experienced manager or a qualified subordinate, in the manager's absence, shall supervise the proposed Food & Beverage operations. The manager or qualified subordinate shall be required to be available at the Assigned Premises during business hours and any time in case of any emergency. Said manager shall have full authority to make day-to-day business decisions on behalf of Concessionaire and supervising personnel employed in the business of the Concessionaire and coordinate all concession activities with SARAA. Each manager must be dedicated to their individual Food & Beverage operation.
- All menu items shall be available for both eat-in or take-out with appropriate take-out packaging.
- The point-of-sale system must be able to accept multiple types of payments such as cash, credit cards and debit cards for each single purchase.
- A minimum of three (3) credit cards must be accepted.
- The Successful Proposer must participate in any rewards program, or any similar type rewards program promoted by the Airport.

- All concession operators shall require their staff to provide warm, friendly, smiling, prompt, and courteous service to all patrons.

Required Specialty Retail. Required for Specialty Retail respondents (Exhibit 7.2):

- Retail would be either Boutique Retail or part/whole vending.
- Retail items could be men, women, & children apparel, cosmetics, luggage and/or electrical devices or master lines like sunglasses, and/or jewelry items.
- If part or whole vending is proposed, area should be staffed or have a service person in close proximity to airport.
- Small over the counter service will be considered.

Space Opportunities (Exhibit 7.2)

- Total space available: 3,992 square feet. Respondent may take a portion or all of the 3,992 square feet of available space, based on layout needs.

2.4 MININUM QUALIFICATIONS

Proposers must have at least three (3) years of continuous successful experience within the last five (5) years in the ownership and operation of a concession service or similar business with annual gross revenues from that business(es) of not less than Five Hundred Thousand and No/100 Dollars ($500,000.00) and the ability to provide documented evidence to demonstrate Proposer's ability to fund the necessary capital improvements.

Proposer must be authorized to conduct business in the Commonwealth of Pennsylvania and Dauphin County at execution of agreement.

2.5 PROPOSAL DEPOSIT

A. All Proposers are required to provide with their proposals a deposit in the form of a certified check, a cashier's check, a proposal bond (sample provided in **Attachment C**), or irrevocable letter of credit (sample provided in **Attachment D**) in form and substance acceptable to SARAA. Checks should be made payable to the Susquehanna Area Regional Airport Authority. The amount of the proposal deposit is Five Thousand Dollars ($5,000.00).

B. All deposits shall be held by SARAA until SARAA has executed a signed Agreement with the selected Proposer(s). If a Proposer is notified that he/she has been unsuccessful or is disqualified, his/her deposit shall be returned upon execution of an Agreement with the selected Proposer(s). The deposit of the Proposer selected to operate these facilities at the Airport shall be held until the selected Proposer(s) executes the Agreement and provides the information and documents contained in Section 6.0. No interest shall be paid to Proposers on their deposits.

2.6 RENTALS/FEES/CHARGES

Prospective Proposers should propose a rental structure to SARAA in the form of a percentage rent based upon gross annual sales for each year of the contract. Each proposal must indicate on the **Attachment G** the percentage fees for the term of the agreement. SARAA shall not accept a

Proposal which contains a percentage rental structure below the minimum percentages stated in 2.6 (A).

A. Percentage Fee:

SARAA has set the minimum acceptable percentage fee basis for RFP Concessions.

MINIMUM ACCEPTABLE PERCENTAGE FEE BASIS

Category Casual Dining	6.00% of the annual Gross Revenues of Food.
Category Fast Food	6.00% of the annual Gross Revenues of Food.
Specialty Leasing	6.00% of the annual Gross Revenue of all Merchandise.

Additional Financial Responsibilities:

Taxes, Licenses and Permits-The Successful Proposer is solely responsible for the timely payment of all appropriate taxes, license and permit fees that may be levied by City, County, State, Federal government or agencies thereof.

In addition to the above-described expenses, the successful Proposer shall be responsible for all utilities, maintenance and repair associated with the Assigned Premise.

3.0 GENERAL INFORMATION

3.1 HOURS OF OPERATION

The Assigned Premises shall be continuously and uninterruptedly open for business and provide all services and sales activities as required by the Agreement at such hours as may be established by the Executive Director. Proposer should understand that the Airport Hours are seven (7) days per week, including local, state, and federal holidays, twenty-four (24) hours per day. Proposer shall be required to prominently post in an area visible to employees the most current copy of the Airport Hours.

At no time shall the premises be left unattended or temporarily closed while employees go on break or for other such reasons. Current hours of airline operations in the Airport are from approximately 4:30 a.m., seven days per week. Concession must stay open 30 minutes prior to last departure.

3.2 TERM

The concession agreement shall become effective upon execution. The term shall be for an operating period of a consecutive number of years beginning at the earlier of the Date of Beneficial Occupancy ("DBO") of the reconstructed permanent Assigned Premises or a "no later

than date".

The minimum Lease term shall be ten (10) years.

3.3 PRICING

As stipulated in Paragraph 7.2E of the draft concession agreement, SARAA requires that all concession operators provide quality products and services to users of the Airport at no more than street pricing plus ten (10) percent.

3.4 OPERATING PERFORMANCE STANDARDS

It is the intent of the Airport to provide travelers, and other airport users, with excellent service and top-quality products, in a clean and maintained facility, which is comparable with off-airport stores in the Greater Harrisburg and Central Pennsylvania areas.

To ensure that all passengers and other airport users receive this level of customer service, SARAA has adopted specific Operating Performance Standards. These Operating Performance Standards address three key areas of concession performance (Premises, Product, and Personnel) and are included in the Concession Agreement.

If the concessionaire fails to maintain the Airport standards as outlined in the Lease Agreement and Operating Performance Standards, Liquidated Damages may be levied as outlined in the Concession Agreement.

3.5 FACILITY/DESIGN/CONSTRUCTION/MAINTENANCE RESPONSIBILITIES

The initial capital investment amount shall be sufficient to provide all necessary furnishings and equipment in the Assigned Premises to operate a first-class concession.

All equipment and materials should follow the Airport's Sustainability Requirements as outlined in the Draft Lease.

The successful Proposer will be responsible for meeting the criteria of the Americans with Disability Act (ADA), all applicable State and local building requirements, the ADA Accessibility Guidelines for Buildings and Facilities (ADAAG), as well as the appropriate requirements under Title III of the Federal Aviation Administration (FAA) guidelines and the applicable sections of the Draft Lease.

1. UTILITIES

The Airport has compiled information related to electrical and communications infrastructure, plumbing and fire protection infrastructure for the space included in this RFP package. This information will be provided at the request of any potential or successful proposer.

The Successful Proposer, at their own expense, must install the utilities and utility meters for each of the Assigned Premises. The Successful Proposer will be responsible for all utility cost (water, gas, telephone, cable, etc.) associated with the Assigned Premises.

2. REFURBISHMENT

For the successful Proposer, a refurbishment every 5 years, shall be required. The concessionaire shall fully remodel the Assigned Premises, at concessionaire's cost to meet their existing décor package. In addition to any required Refurbishment, the successful Proposer shall refurbish the Assigned Premises promptly upon the observation of any damage or deterioration of the original materials/workmanship or as reasonably required by the Executive Director and to maintain compliance with the Airport's Operating Performance Standards.

In addition to any required refurbishments, the Successful Proposer shall be responsible for all costs and expenses necessary to maintain the concession locations in a safe, attractive and inviting condition.

3. CONSTRUCTION PHASING

It shall be imperative that any construction activity be completed within the time established for each phase of the program. SARAA, as part of the Concession Agreement, shall enforce daily penalties for failure to have any construction completed within the required timeline.

3.6 COMPETITION

The award resulting from this RFP will be for non-exclusive concession privileges. Proposers should note that all concessions at the Airport have non-exclusive privileges. This offering will be awarded based on SARAA's desire to provide the traveling passenger with a variety of choices, top quality product and prompt courteous service in a clean environment. SARAA, at some time in the future, may solicit proposals or enter into negotiations for additional concession locations to be located in any of the Terminals or Concourses.

3.7 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

In accordance with the Code of Federal Regulations, 49 CFR Part 23, SARAA has implemented an ACDBE program under which qualified firms may have an opportunity to participate in the Airport's concession program. SARAA has established an ACDBE goal of 1% for this opportunity, as measured by total estimated annual gross receipts. Proposers are required to make a good-faith effort to obtain ACDBE participation. By signing its Proposal, the Proposer commits to making good faith efforts to achieve the Airport Concession Disadvantaged Business Enterprise (ACDBE) goal.

ACDBE participation may be in the form of one or more subleases, joint ventures, partnerships, or other legal arrangements meeting the eligibility standards in 49 CFR Part 23, or it may be in the form of the purchase of services, goods and products necessary to conduct the Proposer's business and operations at the Airport from ACDBEs

If a Proposer will be unable to achieve the ACDBE goal stated herein, the Proposer will be required to provide documentation in its Proposal that it made sufficient good faith efforts to meet the goal (s). The documentation must demonstrate that the Proposer took all necessary and reasonable steps to meet the specified goal. The requirements of this paragraph are not intended to force the Proposer to change its business structure. Part of the selection criteria is providing an ACDBE goal. ACDBE Participation will be a factor when selecting the winning Proposer.

Failure to provide supporting documentation of a good faith effort may result in its rejection.

3.8 DELIVERIES/TRASH REMOVAL/RECYCLING

Delivery, distribution, and trash removal processes differ significantly by secured and non-secured side. In all instances, however, SARAA will specify locations for product distribution, delivery methods and times, and trash removal routes. The Airport participates in a recycling program in which all concessionaires will be required to participate. Although the Airport currently does not charge for garbage and trash removal, it reserves the right to do so in the future and to prorate the costs among tenants.

3.9 DRAFT CONCESSION AGREEMENT

A draft form of the Agreement (**Attachment I**) into which SARAA intends to enter with the successful RFP is available on the www.flyhia.com website, under the "Business & Advertising Opportunities, Airport Projects" menu. SARAA reserves the right to modify the draft concession agreement during the proposal period. If any changes are made to the draft agreement in this RFP, an addendum shall be forwarded to all recipients of the RFP. Proposals shall include a list of exceptions to the concession agreement, if any.

4.0 PROPOSAL SUBMITTAL

4.1 INSTRUCTIONS

A. Each Proposer shall submit one (1) original, Five (5) copies, and one (1) electronic copy of its proposal to the Property Manager no later than **June 2, 2023, 12:00 p.m., local time** above, at which time the proposals shall be recorded. No proposals shall be accepted after that time unless such date or time is extended pursuant to an addendum issued by the Property Manager.

B. Proposer shall limit the proposal to 25 pages, 12 fonts, excluding any attachments requested in this RFP.

The proposal package may be mailed to or delivered to the appropriate address below and identified on the outside of the envelope(s) as: "Concession RFP".

VIA U.S. MAIL:

Arletta Metzger
Property Manager
Susquehanna Area Regional Airport Authority
One Terminal Drive, Suite 300
Middletown, PA 17057

VIA EXPRESS MAIL, PERSONAL DELIVERY or COURIER SERVICE:

Arletta Metzger
Property Manager
Susquehanna Area Regional Airport Authority
One Terminal Drive, Suite 300
Middletown, PA 17057
Telephone: 717-948-3900
Facsimile: 717-948-3516
E-Mail: Arletta.Metzger@SARAA.org

C. Each Proposer shall provide all information requested by SARAA herein. Proposers must organize their proposal to address each of the elements outlined and in the same order listed in **Attachment A** of this RFP (Tabs 1-15 as on the Proposal Checklist).

D. Proposers are advised to carefully read and complete all information requested in the RFP. If the Proposer's response to this RFP does not comply with the conditions for submittal to this RFP, it shall be considered unacceptable by SARAA and may be rejected without further consideration.

E. Under the laws of the Commonwealth of Pennsylvania, a proposal may be considered public record and, if determined to be so, must be made available for inspection and copying. Therefore, SARAA cannot guarantee the confidentiality of any proprietary or otherwise sensitive information contained in or with any proposal.

No proposal may be withdrawn after it has been submitted to the Property Manager unless the Proposer so requests by letter and such request is received by the Property Manager before **12:00 PM., on the due date as specified in Section 2.2 above**.

F. SARAA has the right to modify, withdraw or cancel any and all proposals at its sole discretion.

In submitting the proposal, the Proposer agrees that the proposal will remain valid for 120 days after the closing date for submission of proposals and may be extended beyond that date by mutual agreement.

4.2 SUBMITTAL DOCUMENT ORGANIZATION

The proposal submittal shall consist of the following documents in the sequence shown below. A set of tabs to identify each part of the proposal should be labeled as below and inserted to facilitate quick reference.

1. COVER LETTER

Please include a cover letter to identify Proposer and to state other general information which the Proposer desires to include regarding the Proposer's business organization.

2. EXECUTIVE SUMMARY

Please provide an executive summary of important features of the proposal, which should include a statement of Proposer's minimum qualifications.

3. PROPERLY EXECUTED PROPOSAL ACKNOWLEDGMENT FORM/PROPOSAL DEPOSIT

Available as **Attachment A** is the required Proposal Acknowledgment Form. Proposer shall have this form signed by an authorized officer of the company and notarized. The original signed and notarized form should be included in the Proposer's original copy of the RFP responses. The proposal deposit, as described in Section 2.5, shall also be included in this section of the RFP response.

4. EXCEPTIONS

Proposals shall include a list of exceptions to the Concession Agreement, if any. If there are no exceptions noted, and Proposer is selected by SARAA, Proposer shall be obligated to execute the Agreement without modification. The acceptance of any Proposal with exceptions noted shall not be deemed to be an acceptance by SARAA of any such exceptions.

5. EXPERIENCE

This section gives Proposers the opportunity to discuss their industry experience and what defines them as a leader in their industry. It also provides guidance to the Proposer for completing **Attachment E**. Proposer shall include as much information in this section as is needed to differentiate your company and proposal from the other Proposers. Please include at least the following information listed below.

- Clearly communicate how you meet or exceed the minimum qualifications.
- Describe the nature of your business experience in the operation of food & beverage and/or Specialty Retail facilities.
- Clearly state the total number of locations where you have operated food & beverage and/or Specialty Retail facilities within the last three (3) years. Proposal must also clearly, and separately, state the total number of food & beverage and/or Specialty Retail locations you have at any airport operations. Proposer shall provide a list of the location, gross sales, and dates of operation of the five (5) highest volumes, based on gross sales, food & beverage and/or Specialty Retail locations it operates.
- Give name, location and date of all food & beverage and/or Specialty Retail operating contracts that have been terminated or canceled within the past three (3) years, prior to the expiration of their contractual term, and also list any judgments terminating or any pending lawsuits or unresolved disputes for the termination of food & beverage and/or Specialty Retail operated by you within the past three (3) years.

6. PROPOSED CONCEPTS/BRANDS

Describe in detail the concept/brand proposed for the Assigned Premises, and how this proposed

concept/brand will meet or exceed the required/desired services described in Section 2.3. Describe the rationale and justification for selecting the proposed concept and how the proposed concept will enhance the overall concession program, appeal to the traveling public, compliment the existing concession offerings and provide incremental revenue.

Provide the location(s) where such brands have other locations, the locations, which Proposer operates, and the location of their corporate headquarters.

For any franchised or licensed brand/concept, Proposer shall provide the following information:

- A complete copy of company/brand standards for operations and customer service.
- In addition to the franchise agreement/license, Proposer shall also include a letter from the franchiser/licensor indicating that the Proposer has been selected by the franchisor/licensor as the sole entity to submit a proposal for this particular location at HIA. No proposal shall be accepted which does not contain such documentation. In referencing the location in this letter, the franchiser/licensor must use the LOD space number provided in this RFP.

a. Concept/Brand Menus

Proposer shall submit a complete listing of all menu items, products and services to be offered for sale at the facilities. In describing the proposed menu/product lists, please elaborate on the following:

- Menu's coverage of different patrons' needs (children's menu, senior citizen discount/menu, daily specials and employee specials).
- Options for vegetarian and other special dietary needs.
- List national brands for Specialty Retail.

If proposed concepts/brands have off airport locations, indicate any differences in the number or composition of menu items/products, packaging, etc., available in the airport location(s) and off-airport location(s). Proposer shall articulate how any lesser number of items/products would result in the same experience found in the off-airport branded location(s) and the justification for any such modification.

b. PCLs / Pricing

Each Proposer is required to submit three proposed Price Comparison Locations (PCLs) per concept in this Proposal on Attachment G. Each PCL should include name, address, and phone number. The PCLs are subject to Board approval. Describe how prices at the proposed PCLs would be monitored, and who would be responsible for this monitoring. For brands/concepts with off-airport locations in the Harrisburg region, the PCLs shall be those off-airport locations.

Proposer should also submit preliminary pricing for proposed menu items, products and services.

If Proposer has other airport locations, Proposer shall describe the method used to determine prices of new products at these other locations, and their management systems that are in place to ensure that pricing is in compliance.

7. PROPOSED MANAGEMENT AND OPERATIONS PLAN

Proposer is to provide in sufficient detail, to allow SARAA to evaluate, how Proposer's management and operating plan will achieve the goal of operating high-volume food & beverage locations. To perform this evaluation, SARAA requires the following information.

a. General Operations

Provide an Organizational Chart specific to this Airport operation.

b. Human Resources/Staffing Issues

Proposer shall provide a Human Resources Plan which details how the company will staff, maintain, and service the food & beverage and/or specialty retail facilities at the Airport.

Proposer shall be able to demonstrate their ability to staff, operate, and manage these locations for up to 24 hours per day, seven days per week. Proposer shall submit a staffing schedule for the Assigned Premises with the proposed coverage of current operating hours. The staffing schedule will become an exhibit to the executed lease Agreement. The staffing plan shall be required to be shown as part of the Pro forma statement in **Attachment G**. ***Only include staff 100% dedicated to this Assigned Premises. Do not include area managers, concourse managers, etc.***

Describe in detail your plan to attract, hire, train and retain staff to levels indicated above. For example, how long will you commit trainers from other locations to this operation, etc.

c. Customer Standards

Provide a detailed description of the customer service management approach and systems proposed to be used at HIA.

d. Delivery/Trash/Recycling

Describe in detail the delivery schedule and delivery logistics to stock your facilities.

e. Cash Control Systems

Proposer should describe in detail the cash control system to be used in the proposed facilities.

8. MARKETING

SARAA desires operators to execute marketing/promotional programs and financial discount programs in each concession facility, as a means of assisting with maximizing the effectiveness and awareness of the store. Proposer should provide its proposed Marketing/Promotion Plan in, as much detail as you feel is necessary, to illustrate the plan and specifically address, at a minimum, the following topics:

(1) How will services or products be marketed to the passengers?

(2) Provide examples of the promotions and other marketing concepts you will use.

(3) What seasonal and/or event-related programs will be instituted?

Please provide a detailed description of any Financial Discount Program for customers and employees to be implemented for these locations. Included in this description must be a discussion regarding how the program will enhance sales, and how it will improve the perception of the overall program.

If the Proposed Concepts/Brands have off-airport locations, describe how the street marketing and discount programs will be followed or coordinated with the Airport locations.

9. FACILITY MAINTENANCE PLAN

a. On-Going Maintenance Plan

Describe the day-to-day maintenance plan you will implement in support of this space. Provide detailed cleaning schedules and preventative maintenance schedules.

b. Janitorial Plans

Describe the day-to-day janitorial plan you will implement in support of this space.

c. Equipment Maintenance Plans

Describe the weekly, monthly, quarterly and annual equipment maintenance plans you will implement in support of this space. Be sure to include schedules for rooftop, exhaust and any other major equipment used in the space. Indicate which staff members will be responsible for the maintenance plan and how its implementation will meet Industry Standards.

10. FACILITY DESIGN/ARCHITECTURES AND EQUIPMENT SPECIFICATIONS

Proposer shall submit narrative and conceptual designs to include interior layout and exterior elevations of the proposed facilities. Sketches or photographs of existing or similar concepts shall be accepted. Any submitted sketches or photographs shall be on *11 x 17 format only*. Final approval of design will be in accordance with the Concession Agreement and SARAA's Engineering Department Design Review.

Of the allocated square footage, Proposer will detail the space allocated to sales area, storage, office, etc. Proposer shall indicate the total square footage allocated to the use, as well as the corresponding share of the total available space.

11. CAPITAL INVESTMENT/CAPITAL PLAN

Submit a detailed description of the initial capital investments to be made for improvements and trade fixtures that comprise the Assigned Premises. This description must be presented using the format in **Attachment F**. This description must detail the actual amounts to be invested by improvement type (fixed improvements, trade fixtures, professional fees, etc.). Proposer shall note and observe that SARAA shall require all new equipment, fixtures, and furniture for the investments in this facility.

In addition to the Capital Investment statement, Proposer shall also provide a detailed proposed Capital Plan. This plan shall indicate the sources and uses of funding to be used for the purchase or lease of equipment, installation, working capital, and other start-up costs. The format for the Capital Plan description is provided in **Attachment F**.

12. GROSS REVENUE PROJECTIONS/PROFORMA STATEMENTS/PROPOSED RENT

The Proposer shall provide a Gross Revenue Projection for the Airport location.

Proposer shall provide the following information in support of gross sales and rent projections: 1) projected average check amount; 2) number of transactions (by employee and passenger) for Assigned Premises; 3) assumptions for price increases for each year of the Term. Proposer shall also provide similar data (average check, capture rate, etc.) for the most recent year from at least 3 other facilities (all facilities, if less than three exist) of comparable nature in support of its projections. These projections and corresponding Pro forma statements shall be provided in the format provided in **Attachment G**.

13. FINANCIAL BACKGROUND INFORMATION

Proposer shall include the following financial information in their submittal:

- Balance sheet and income statement for the last two (2) fiscal years, prepared in accordance with generally accepted accounting principles, reflecting the current financial condition of the Proposer. Also include the interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements (**Attachment H**).

- Describe the ownership structure of the Proposer (format is presented in **Attachment B**). Each Proposer should provide the principal address and phone number of its business and the contact person responsible for the proposal.
- Owners of closely held corporations must submit a personal financial statement current within three (3) months from date of submittal.
- Owners of closely held corporations and partnerships and those proposing as sole proprietors must include a statement about their willingness and ability to provide a personal guarantee in an amount equal to what they propose will be the first year's proposed rent.
- At least (1) one bank reference and three (3) trade references.

14. INTERPRETATION OF PROPOSAL DOCUMENT

A. If discrepancies or omissions are found by any prospective Proposer or there is doubt as to the true meaning of any part of this RFP, a written request for clarification or interpretation shall be submitted to SARAA Property Manager, prior to **May 19, 2023**, by fax (717-948-3516), mail, or email at Arletta.Metzger@SARAA.org. Only written requests shall be accepted or acknowledged. The Airport shall not accept nor acknowledge any information transmitted by means of voice mail or personal communications.

B. SARAA is not responsible for any explanation, clarification, interpretation, or approval

made or given in any manner except by written addendum. Any addendum shall be posted to the Harrisburg International Airport website. Any addenda so issued shall be considered a part of the RFP document.

5.0 EVALUATION OF PROPOSALS

A. Each proposal submitted to SARAA shall be evaluated by Airport Staff. Staff will present its recommendations to SARAA Board. The Property Manager may, but shall not be obligated to, entertain formal Proposer presentations. The Property Manager and SARAA's Staff will make its recommendation to the Board. The best qualified proposal in SARAA's sole judgment will be selected for the concession award; provided that the Board reserves the right to reject any and all proposals at its sole discretion.

During the RFP submittal and evaluation period, all communication must be directed to the Property Manager of the Harrisburg International Airport, in writing via mail, e-mail Arletta.Metzger@SARAA.org or fax at (717) 948-3516. The Airport shall not accept nor acknowledge any information transmitted by means of voice mail or personal communications.

SARAA shall award the Concession Agreement to a single Proposer or multiple Proposers. SARAA shall make the final determination in its sole judgment as to which Proposer and proposal best meets the stated requirements of this RFP. Criteria to be evaluated will include but not limited to:

Management and Operations Plan

Operator Experience/Financial Strength

Facility Design/Architectural Plans

Capital Investment

Gross Revenue Projections/Pro forma

Human Resources Plan

Proposed Brands/Concepts

- Add variety to existing concession options.

Menu/Pricing

Marketing Plan

Facility Maintenance Plan

Construction Scheduling and Opening Date

6.0 AWARD AND AGREEMENT EXECUTION

A. Proposer shall deliver a fully executed Concession Agreement to SARAA within thirty (30) days of notification of Award by the Board or as extended beyond that date by mutual agreement.

Upon delivery of the Concession Agreement Proposer shall also provide:

- Evidence of proper liability insurance and intent to conform with the specifications attached hereto and all applicable federal, state and local rules and regulations prior to or at the time of execution of the Concession Agreement.
- Performance Guarantee.
- All governing documents of entity, if applicable, and subsistence certificate of such entity.

B. If the selected Proposer fails, refuses, or is unable to enter into a Concession Agreement, the entire sum of the Proposal Deposit submitted by the Proposer shall be immediately payable to SARAA, not as a penalty but as liquidated damages.

C. The Proposer further agrees that the following items shall be included as compensable damages for any breach of agreement, failure, refusal or inability to execute any agreement after acceptance by the Susquehanna Area Regional Airport Authority of its proposal: a) any cost of repeating the Request for Proposal Process, or b) expenses incurred as the result of delay in award of the anticipated Agreement. The enumeration of compensable damages contained in this section is not intended to be exclusive and will not operate to bar recovery by SARAA for any other damages occasioned by such.

D. If SARAA and the Proposer enter into and execute a Concession Agreement but the successful Proposer fails to timely commence to the establishment or the operation of the concession facilities in the accepted terminal locations, the Proposer shall be considered in default and subject to such penalties as provided in the Concession Agreement, including but not necessarily limited to the forfeiture of all bonds and/or security on deposit with SARAA.

E. The Executive Director, or his/her representative, shall be designated as the official representative of the Board in all matters pertaining hereunder and shall have the right and authority to act on behalf of the Board with respect to all action required of the Board.

7.0 EXHIBITS

7.1 AIRPORT MAP AERIAL MAP

7.2 LOOR PLANS OF CONCESSIONS OPPORTUNITIES