

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

Addendum #1 March 17, 2009

This Addendum is intended to modify the Request for Proposals to Design, Redevelop and Operate Concession Program in Terminal 5 at Chicago O'Hare International Airport ("RFP") dated February 3, 2009. Unless otherwise defined herein, capitalized terms have the same meaning as in the RFP.

A. Pre-Proposal Meeting

A non-mandatory, pre-proposal meeting was held on February 19, 2009. A short presentation was handed out at the meeting, a copy of which is attached to this Addendum. A list of attendees follows:

The following attachments are attached:

- *Current Lease Agreement.*
- *Maps of the arrival, departure and mezzanine levels.*
- *2005-2008 sales figures.*
- *The pre-proposal list of attendees.*
- *Copy of the pre-proposal meeting presentation.*

B. Questions Submitted by Prospective Respondents

1. Please define the detail scope involved in the "possible reconfiguration of the entire entrance of the security area"?

The marked areas on the map and the mezzanine and the security square footage footprint. The areas could be realigned in the demarcated areas.

2. Will the City or TSA contribute financially to the "possible reconfiguration of the entire entrance of the security area"?

No.

3. During the Pre Proposal Conference the TSA representative mentioned the 'possible consideration by TSA to contribute to the project'. Please detail this process and if TSA will contribute what % of the total costs will they and has TSA worked with any Concessionaire in the past on moving the Security Services in any Airport?

Do not expect or plan for the TSA invest anything at this point.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

4. Will the "possible reconfiguration of the entire entrance of the security area" be required to be completed by the June 2012 completion date?

Yes, and it should be phased in.

5. Will the City assess liquidated damages if the June 2012 completion date is not met? If so please detail the penalties?

Yes. However, at this time the details have not been determined.

6. How will the City score or evaluate proposals that provide solutions / recommendations / financial solutions to the "possible reconfiguration of the entire entrance of the security area" versus those proposals which do not?

The City will favorably score the possible reconfiguration and expects these to be proposed.

7. Please clarify if the "possible reconfiguration of the entire entrance of the security area" is a requirement, aspiration, or suggested option?

Suggested Option

8. Please clarify how a proposer will be scored or evaluated if they propose viable options for the "possible reconfiguration of the entire entrance of the security area"

Reconfiguration is one element in total evaluation.

9. Is the \$ 11.00 sale per enplaned passenger a set criteria or an aspiration?

A set criteria.

10. Many individual Terminals in North American Airports generate in excess of \$11.00 sales per enplaned passenger. The RFP states "consistently exceeding \$11.00 per enplaned passenger and ranking in the Top 5 highest performing airports in the country with respect to gross sales".

Questions:

- o Please reconcile this comparison (Terminal vs. Airport)

Terminal

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

- Is it the City's goal that Terminal 5 program sales per enplaned passenger and gross sales be ranked in the Top 5 highest performing Terminals in the country?

Yes.

- If it is the goal to have Terminal 5 ranked in the top 5 highest performing Terminals in the country what criteria will be used to assess this during the RFP review and scoring process.

The concession mix and the overall projections for the term of the agreement.

- Will Proposers be required to submit Sales per Enplanement examples of current programs?

Not required but additional information will be welcomed.

11. Please detail

- The Current use of the Mezzanine Level

Currently, the Mezzanine Level is office space.

- How is the Mezzanine Level currently being accessed

Two elevators and two stair cases are currently being used to access the Mezzanine Level.

- Please provide CAD / As Built of the Mezzanine Level and the existing uses.

CAD files will be emailed upon request.

- How will the City score respondents proposing recommendations or ideas for the redevelopment of the security area and mezzanine level?

We will evaluate the best utilization of all office, current concession and the security space.

12. Please provide CAD / As Built of all existing concession space.

CAD files will be emailed upon request.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

13. Please provide plans below the development areas that should identify access & potential limitations.

This will not be made available until after the winning proposal is selected.

14. What utilities exist today and is additional capacity to be provided by airport or developer? If utility expansion is required, would the City or the developer be responsible for expense?

Section E. 6 of the RFP explains

Utilities and General Maintenance of Facilities

Utility Connections:

The City will provide certain utility connections to the Leased Space as specified in the DCPM. The Selected Respondent may connect into or extend, at its own cost, such utilities in accordance with the DCPM. All utilities to the Leased Space will be separately metered wherever practical.

Heat, Ventilation and Air Conditioning (HVAC):

The City will provide HVAC to the concession spaces in the proper 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. In such event, Selected Respondent will pay for separate meter installation and utility usage in the concession spaces for HVAC requirements.

Utilities:

Other than HVAC as noted above, the Selected Respondent will pay for all utilities, without exception, necessary in the operation of its business including telephone, electricity, water, sewage, gas and other fuels. 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 must be paid by the Selected Respondent.

If addition, expansion is required, the developer will be responsible for the expense.

15. The Minimum Qualifications / Experience portion of the RFP suggests that a Proposer must have a minimum of 5 years of experience in the Development, Ownership, Management and / or Operations of a retail program.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

- Is the City seeking proposers who will not operate any facilities as described in the RFP but one who will Develop, Design, Finance, Construct, Lease and Manage the Concessions Program?

Yes, one who will Develop, Design, Finance, Construct, Lease and Manage the Concessions Program.

- Is the City suggesting that a Concessionaire / Operator will be allowed to operate certain spaces and sub-lease certain spaces as they choose?

Yes, the Concessionaire / Operator will be allowed to operate certain spaces and sub-lease certain spaces as they choose, but we do require that you meet the ACDBE goals set forth in the RFP.

- Does the City have a goal on the % of space it will allow a concessionaire operator to sub-lease to local operators?

No, the City does not have a goal on the % of space it will allow a concessionaire operator to sub-lease to local operators.

- Please provide a copy of the Concession Lease and License Agreement and any form of sub-lease agreement.

See attached.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

16. Is there a formula that the City will use in its evaluation of the Compensation section of the RFP? (Highest proposer 100% of maximum score, other bidders?)

No.

17. How will the City score Non-Operator (Developer Model) proposals, specifically in the Compensation to the City section of the RFP?

There will be a total scoring of the proposals. This has yet to be determined.

18. If a proposer package exceeds the stated Page limits, will that proposer be deemed non responsive?

No.

19. Please clarify the minimum space requirements for TSA.

The Minimum space requirement for TSA is 6000 square feet.

20. Please clarify that the City or the Airport has no plans on offering additional financing or support for the move of the TSA?

The City or the Airport has no plans on offering additional financing or support for the move of the TSA.

21. The Mezzanine level was not part of the tour, but was mentioned as a possibility for the redevelopment, can a tour of that space be scheduled? If not how much space is available and can it be highlighted on drawings?

No additional tours will be offered. 8,771s.f. is available on the mezzanine level. See attached map.

22. Will Auto Cad's be made available? Will the presentation be made available, as well as the pictures within the presentation?

Yes.

23. During the tour it was mentioned that the moving walk ways would be removed; will this be done by the Airport or by the winning proposer?

The moving walk ways would be removed by the winning proposer.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

24. Page 3: "City is actively seeking highly qualified companies with experience in retail development and management" however on page 8, under Experience it allows for a company to have experience in "ownership and/or operation of a retail program" in order to qualify for this RFP. Which of these two is the correct definition?

Page 3 is part of the Executive Summary. Page 8 is the correct definition.

25. Page 8: "developing a concession program from core and shell infrastructure" could this be better defined? Would this require the ability and experience of needing to move food concessions to retail concessions, provide shell units for subtenants, etc?

By core and shell infrastructure, we mean a proposal that looks at the option of removing the former concessions and building a new. Yes, it would require ability and experience to move concessions.

26. Please detail how the Evaluation Committee will assess proposals who propose no solution (and therefore no investment) to "possible reconfiguration of the entire entrance of the security area" versus proposers who propose solutions since the cost for the reconfiguration will need to taken into consideration in the Compensation to the City.

The viability of all available space and maximum usage will be assessed the same.

27. Will the .5% Marketing Fee be paid directly to the City?

Yes, The .5% Marketing Fee is paid directly to the City.

28. Will the City then be responsible for developing the Advertising, Publicity, Promotional Materials, Events, Directories, Customer Service Training, and other activities appropriate for marketing the concessions program at O'Hare?

The City's Department of Aviation will provide oversight but work with the winning bidder.

29. Is the City seeking a company whose expertise include the overall development of the Advertising, Publicity, Promotional Materials, Events, Directories, Customer Service Training, and other activities appropriate for marketing the concessions program at O'Hare?

No.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

30. Can a third party Developer collect and manage the 0.5% Marketing Fees?

No.

31. Will Proposers be scored based on their prior experience in the overall development (or re-development) of an Airport (terminal) Concessions program?

Yes, this will be looked upon favorably since it is experience in this type of endeavor.

32. Is LEED Certification a requirement?

Not a requirement.

33. If not a requirement, will Proposers who are LEED Certified and who propose environmentally sustainable (Green) concepts be given a higher score in the Design portion of the RFP?

Yes, environmentally sustainable (Green) concepts will be considered favorably.

34. If it is the City's intention to promote Green & Sustainable practices, why not make LEED Certification a requirement.

Not for the RFP. However, the Department of Aviation is assessing LEED Certification for the implementation of future RFPs.

35. Are AutoCad files available of all areas pertinent to the potential redesign you have requested, including the security area, mezzanine level and back of house?

36. Could you provide the amount of space available in the Mezzanine that could be included in a reconfiguration of that level to accommodate potential expansion?

Mezzanine is 8771 Square Feet. See attached maps.

37. Did we correctly understand the minimum size to be allocated for the TSA security checkpoint – 80' wide x 64' deep as was stated in the pre-proposal meeting?

Yes

38. For purposes of the "visionary" proposal, could you provide us with an estimated amount of space needed by the TSA, if its operations are to be relocated?

6000 square feet.

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

39. Could you provide the locations for the food & beverage and retail commissaries, the loading dock, money room and office?

There is no commissaries and money room. The loading dock is on the arrivals level.

40. Are there locations that are restricted from hood use for food & beverage concepts post-security?

No

41. Is the space located behind the Duty Free Shops & Chicago News included in the concessionaire's lease (at column line J56)?

This area is not included.

42. Could you provide an estimate of the amount of property taxes that the successful proposer will have to pay?

The most recent estimated figure of property taxes paid is \$80,000

43. Are above-grade, point-of-use grease traps acceptable: or are there any special requirements?

Above grade are acceptable.

44. Is T5 a sterile environment? Are there any situations in T5 where you have domestic passengers co-mingling with international passengers?

A portion of the area is sterile.

There are no areas where domestic passengers mix with international passengers.

45. Is there a location in T5 post security to pick up duty free products purchased pre-security?

No

46. Please provide monthly sales by location for the 2005 to 2008 period. Please split the duty free sales for all locations including the post security kiosk locations.

See Attachments to RFP

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

47. Please provide monthly 2005 to 2008 PAX enplanements for T5

Enplanement Numbers:

2005 Audited

Enplanements 6,587,055

Deplanements 4,657,695

2006 - Audited

Enplanements: 2,007,528

Deplanements: 4,862,256

Total: 6,869,784

2007 - Audited

Enplanements: 1,977,914

Deplanements: 4,912,693

Total: 6,890,607

2008 - Un-audited (Projected)

Enplanements: 1,937,357

Deplanements: 4,676,454

Total: 6,613,811

2009 - Forecasted (Projected)

Enplanements: 1,771,304

Deplanements: 4,366,276

48. What is the percentage of passenger connecting to their final destination once they depart T5?

We do not track connecting percentages.

49. What is the exact location of the 1480 sq/ft of additional retail space and, is it comprised of one or multiple locations?

**REQUEST TO DESIGN, REDEVELOP AND OPERATE CONCESSION PROGRAM
IN TERMINAL 5 AT CHICAGO O'HARE INTERNATIONAL AIRPORT**

The total available space is on the arrivals, departures and mezzanine levels. See attached maps for total square footage and locations.

50. Is TSA open to moving the checkpoint if the potential operator is willing to fund it?.

Yes, if it mutually beneficial (i.e. additional space for checkpoint lanes)

51. How many lanes would TSA need in the next 20 years?

10 – 12

52. Do we have an idea of costs to accomplish this?

No (last estimate to add 2 new lanes and rearrange the existing 5 lanes was \$600k). Costs would include design permitting, electrical, data and glass wall work. Overhead doors may be necessary as well as flooring. TSA will pay for recertification of machines but movement/rigger cost will be the responsibility of the bidder.

53. Will the government participate in the costs?

Equipment - Yes; Construction - possibly if mutually beneficial.

54. Can the Chicago 2016 Olympic bid and possible selection as the Host City be incorporated into a prospective proposal?

Yes

55. Will Terminal 5 remain as an International Terminal?

Yes

56. Pursuant to paragraph 7 in Section D, can one respondent be included in multiple packages if one package is a joint venture? Can one concessionaire be in multiple packages? For example, could a respondent submit its own proposal and participate as a joint venture or first level subcontractor in another proposal?

We can't have an entity serving as a JV partner in more than one concession proposer.