



REQUEST FOR PROPOSALS (RFP) FOOD SERVICE CONCESSION PASO ROBLES MUNICIPAL AIRPORT

The City of Paso Robles is seeking an experienced, reliable professional to operate a food service concession within the airport terminal to serve airport tenants, fly-in visitors, the local community, and associated airport activities.

I. AIRPORT BACKGROUND

The Paso Robles Municipal Airport Terminal building, constructed in 2001, serves the flying public as a gateway to the local community and the surrounding area. This activity is primarily general aviation flights and a number of corporate and charter services coming into the area. Various government aviation services also utilize the airport.

It is not anticipated that regularly scheduled commercial carriers (airlines) will serve the Airport in the foreseeable future, however a number of annual events, hosted by the City and the Airport, contribute to the overall traffic levels. Aviation activity is estimated to be 30-35,000 aircraft operations per year.

There are many industrial and commercial facilities on or very near the airport, collectively employing an estimated 800 persons. The nearest available food service is 3-4 miles away. A restaurant within the airport terminal has the potential to be a focal point of activity on a daily basis.

II. FACILITY SPECIFICATIONS

The designated site for the proposed service facility is a portion of the terminal building, located at 4900 Wing Way. The lease consists of three areas: a small commercial kitchen, space for indoor service and seating, and an adjacent, semi-enclosed patio for additional seating, as weather permits. See Exhibit "A" – Lease Premises.

The kitchen (570 square feet) includes basic equipment necessary for a viable operation, yet allows for the addition of those specialty items that the individual tenant will require. See Exhibit "B" - Existing Equipment List.

The seating/serving area (660 square feet) has a legal occupancy load of 44 persons. As additional service and prep area may be required, the actual number of seats achieved may be less.

The adjoining patio (550 square feet) provides outdoor seating that is sheltered from much of the weather and aircraft impacts.

The adjacent public restrooms are shared by all users of the building with janitorial service provided by the City. Monthly water service is provided by the Landlord. The tenant is responsible for electric, natural gas, any communications services, and the additional garbage pickups of the existing dumpster. Tenant is responsible for all on-premises janitorial and maintenance services, including the routine service of the HVAC, fire suppression and hood system, and sanitary sewer system (grease trap). There are approximately 35 shared public parking spaces available to serve the terminal area.

Additional storage and staging space is limited.

III. SERVICE NEEDS

Food service in the terminal building can be an integral part of airport activity. However, based on local statistics and those from similar operators at other airports, fly-in traffic accounts for no more than 20% of total restaurant business. The remaining 80% of business is anticipated to come from the adjacent industrial park, local businesses, and other traffic coming from the 'street-side' of the facility.

Review of local activity levels has shown the highest customer demand to occur during the breakfast and lunch hours with additional periods of business during the traditional industrial business operator break times of mid-morning and mid-afternoon. By late afternoon, the work day has ended and activity levels decrease significantly. Weekend demand increases during mid-day due to fly-in traffic, but other on-airport activity remains minimal.

The Service Purveyor is encouraged to conduct careful analysis of the intended clientele in the development of an appropriate business plan, theme, menu, pricing and service level. It is to the discretion of the Service Purveyor to propose any additional offered services such as outside catering or alcohol on premises. No specific requirement is imposed by the City.

Advertising and promotion of the food concession/restaurant is the responsibility of the Service Purveyor, although the Landlord will act collaboratively where possible to support common promotional goals.

IV. REQUEST FOR PROPOSALS

Interested parties shall submit written proposals containing the following essential elements:

- A summary of the Purveyor's understanding of the current market area and description of how the proposed service will attract and serve the anticipated clientele.
- Identification of the principal persons to be associated with the proposed operation and their respective qualifications and experience levels.
- The scope and extent of services to be offered, days and hours of operation, and anticipated staffing.
- The expected timetable for setup, occupancy, and start up of services, once approved to proceed.
- A conceptual floor plan showing the anticipated layout of the lease area to accommodate proposed business/service needs.
- References related to the Service Purveyor's experience in other, similar food service locations.

The following optional elements may also be submitted as supplemental information:

- A proposed menu and sample pricing to be offered.
- Theme (if any), advertising and promotion plans.
- List any special terms and conditions that would be anticipated in a lease agreement with the City, such as, but not limited to, length of lease, initial and future revenue expectations, if any, (to operator and to the City), exceptions or variations in the scope of the operation, or any other pertinent information within this category.

Responses to this RFP must be received by the City at:

**City of Paso Robles
Office of the City Manager
1000 Spring Street
Paso Robles, CA 93446**

No later than 5:00pm, Friday, December 10, 2010

V. SCHEDULE

Following the closure of the submission period, each proposal received will be reviewed by staff to assure completeness of the proposal package and compliance with the requested information. The designated review committee will then meet to review the proposals and determine those which are eligible candidates for discussion and interview. Following individual interviews, the committee will make a recommendation to the City Council for acceptance of the most viable proposal with negotiation of a lease agreement to follow. Upon approval of a lease agreement by the full City Council, the successful bidder may take possession of the subject premises and begin operation.

VI. SELECTION PROCESS

The City will evaluate the proposals submitted on the basis of:

1. The quality and thoroughness of the proposal response in relation to the factors listed in **SECTION IV**, above.
2. Demonstrated expertise and experience in the industry, and ability to set up and open the desired food service operation in a reasonable time frame.
3. Responsiveness of proposed weekly schedule, hours of operation and scope of service to be provided.
4. Responsiveness to the anticipated needs and expectations of the perceived customer base.
5. Reference validation.

The Selection Committee will conduct oral interviews of top candidates and evaluate the quality and responsiveness of the comparative proposals. A person or firm will be chosen to further negotiate the points of a lease agreement for recommendation to the City Council. Successful proposers should anticipate the request for additional information/documentation for the oral interview.

The City reserves the right to reject any or all proposals, and to negotiate modifications or acceptance of parts of a proposal. Other terms and conditions will be negotiated at the time of selection and will be subject to the approval of the City Attorney.

All Proposals and Statements of Qualifications submitted to the City in response to this RFP become the property of the City.

VII. LEASE NEGOTIATION

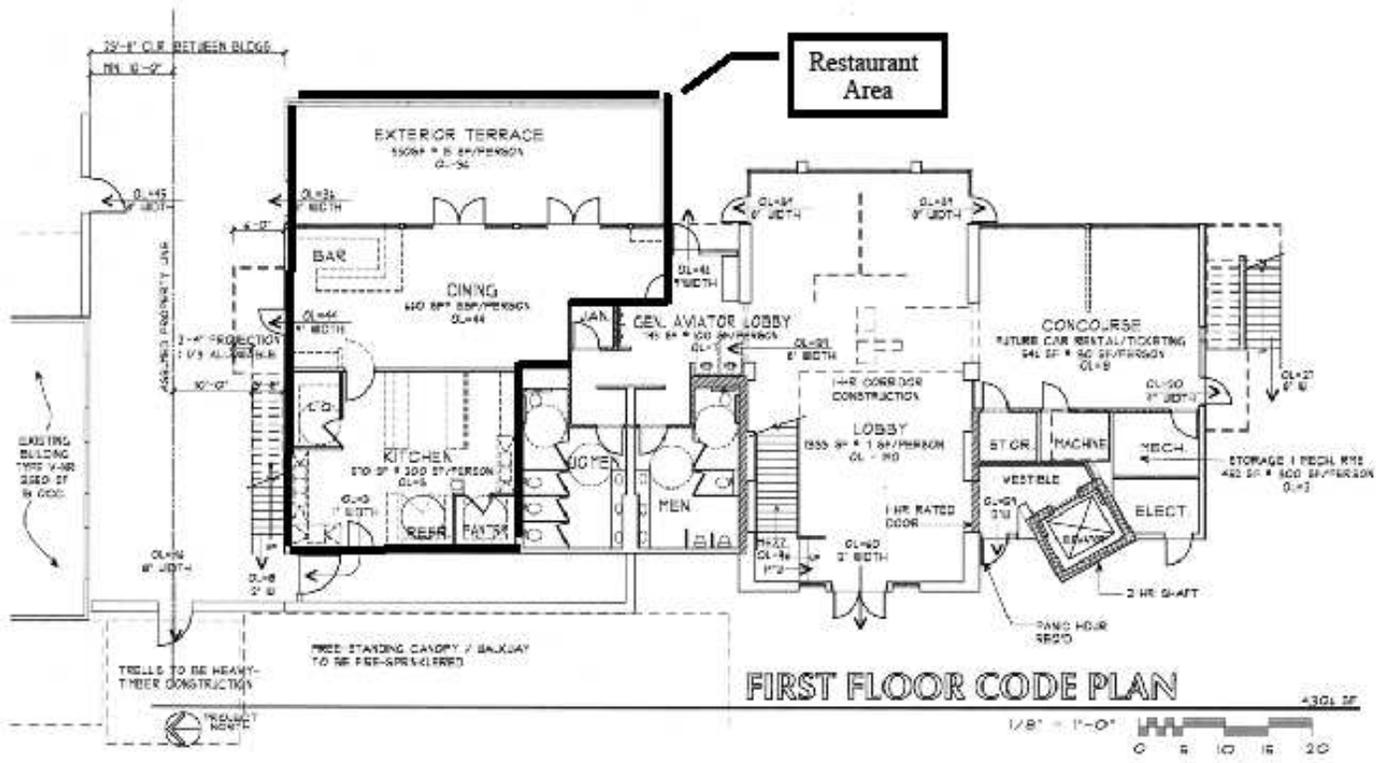
1. The successful proposer will enter into a lease agreement with the City. A sample lease containing the standard required terms and conditions is attached for review.
2. Many of the specific elements of the lease remain open for some negotiation, according to the mutual needs of the landlord and lessee. These elements include length of lease, options for additional time extensions, and rental rate structures. The rental rate will be based on the local market for similar facilities, and while the annual escalation clause is standard, other adjustments may be considered.
3. At the time of lease negotiations, the successful proposer will be required to submit both a business and financial plan to demonstrate the viability of the restaurant proposal.
4. For the purpose of generating a Business Plan, the Service Purveyor can assume:
 - Base term of up to 5 years (depending on demonstrated need and strength of proposal)
 - Options for lease extension (subject to demonstrated performance)

- Base rent of \$1.00 per square foot applied to total lease area
5. Tenant shall be responsible for securing all required permits, license and taxes to operate on the premises.
 6. Tenant shall be responsible for payment of Possessory Interest Tax and any other special, levied taxes or assessments in connection with the premises and the restaurateur's operation.
 7. The final draft of the lease agreement, including all agreed upon deal points will be reviewed by a City Council subcommittee and then presented for full Council review and approval.
 8. Upon approval and execution of the lease, tenant may take possession of the premises and begin operation.

Additional Information

The following local factors and conditions may be helpful in developing an appropriate scope for the proposed business. The numbers provided are current estimates, but may slightly vary from actual.

- There are 30 businesses and public agencies on the airport
- Approximately 800 people work on or around the airport.
- 85% work from 7:00 am to 3:30 pm.
- Currently a maximum of 10-15 visiting aircraft fly in each day.
- The Spirit of San Luis Restaurant located at the San Luis Obispo County Regional Airport estimates that only 20% of their business is from the flying public. The remainder comes from surrounding businesses and from the City of San Luis Obispo. Similar estimates from the Rocket Café at the Bakersfield (downtown) airport corroborate the "non-flying" customer ratio.
- Surrounding businesses (Manufacturing and Wineries) within 2-3 miles of the airport may account for another 50-100 potential customers.
- The future of the correctional facility adjacent to the airport is uncertain, but if developed, could yield additional potential. Historically, administrative and support staff have utilized the airport restaurant.
- Jet charter flights departing the airport may request catering – food and beverage trays.
- A sample lease agreement is attached hereto for review; key points of the agreement are subject to negotiation with the successful bidder.



**EXHIBIT – LEASED PREMISES
 Restaurant Area
 PASO ROBLES AIRPORT TERMINAL**

EXHIBIT 'B'

Restaurant Equipment List

The following equipment is provided in the kitchen area as part of this agreement. It is owned by the City, provided for the use of the food service purveyor and expected to remain – in good condition (reasonable wear and tear expected) – on the premises at the termination of this agreement.

Walk-in Cooler: 5' x 5' freezer section; 5' x 5' refrigerator section

Hand Sink – 10" x 14"

Prep Sink - 6'-2 compartment with drain boards

Dish Washer: Jackson Conserver XL model

Sink with disposal, ¾ hp.

3 – compartment sink

Water Softener

1 – 5' Stainless Steel Work Table

1 – 6' Stainless Steel Work Table

Range Hood – 10' with Fire suppression system

1 – Wolf, 24" Broiler (Salamander)

1 – Wolf, 6-burner range, with oven

1 – 2 basket deep fryer

2 – 48" Stainless Steel Prep Tables w/ 2 – 84" overhead shelves and 60" food warmer

10 – assorted 3', wall-mounted storage shelves, various locations