

**REQUEST FOR QUALIFICATION #102**  
**TO LEASE THE POST & KING HANGAR**  
**At**  
**SOUTH BEND INTERNATIONAL AIRPORT**  
**for the**  
**ST. JOSEPH COUNTY AIRPORT AUTHORITY**

**Dated: January 27, 2017**

**SCHEDULE**

ACTIVITY (All times are EST)	DATE
Issue RFQ	January 27, 2017
Pre-Proposal Meeting at 1:00 p.m. (Optional)	February 24, 2017
Deadline for Submittal of Written Questions by 4:00 p.m. EST	March 3, 2017
Responses to Questions	March 10, 2017
Proposal Submittal by 4:30 p.m. EST	March 31, 2017
Evaluation of Proposals	April 14, 2017
Short Listing and Proposer Interviews (if applicable)	April 21, 2017
Award Recommendation - Airport Authority Board	April 27, 2017
Agreement Approval by Board of Directors / Estimated Start Date July 1, 2017	May 25, 2017

Responders must provide two (2) unbound three-hole punched hardcopies of their proposal by one of the methods outlined below, as well as an electronic copy included on a flash drive and submitted with the hardcopies of the proposal no later than March 31, 2017, according to the St. Joseph County Airport Authority clock.

1. Proposers may mail their submissions to St. Joseph County Airport Authority; Attn: Kerianne Linn, 4477 Progress Drive, South Bend IN 46628.
2. Proposers may hand deliver their submissions by 4:30 PM, per Airport Authority clock, on March 31, 2017, at the Airport Authority Administrative Offices, located at 4477 Progress Drive, South Bend IN 46628, Attn: Kerianne Linn.

## **St. Joseph County Airport Authority Request for Qualification #102**

### **INTRODUCTION**

The St. Joseph County Airport Authority (“Airport Authority”) as owner and operator of the South Bend International Airport (“SBN”) is issuing a Request For Qualification (RFQ) for the commercial use of Hangar #420 and #421 (commonly referred to as the Post & King Hangar) located at SBN. The ultimate goal for the RFQ is to enhance the aeronautical and economical value to the airport and the community which it is tied too.

The South Bend International Airport is situated on approximately 1,500 acres in the City of South Bend (population 100,500) in St. Joseph County (population 266,700), approximately three miles northwest of downtown South Bend. SBN is located approximately 95 miles east of Chicago, IL and 155 miles north of Indianapolis, IN.

### **INTENT**

The intent of this Bid request is to pre-qualify three commercial operators who will then have the option to provide an offer to lease the Post & King Hangar located at the South Bend International Airport at 4477 Progressive Drive, South Bend, Indiana for a guaranteed minimum contract amount, in accordance with contract documents attached to the RFQ.

The notification of up to three (3) selected commercial operators will be made on April 14, 2017. The selectees for the second round will have until April 21, 2017 to submit any final terms and condition or proposed changes to the lease document for review and consideration. SBN team will review the proposals and make recommendations to the Executive Director and Board of Directors at the April 27, 2017 Board meeting which operator SBN to pursue an agreement with.

All final documents will be approved by the Board of Directors May 25<sup>th</sup> 2017. The estimated availability to the new tenant is July 1, 2017. Documents will be available to the public at the end of each round to ensure compliance with the Indiana Code.

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## **I. BACKGROUND**

### **a. Airport Overview and Available Facility**

The South Bend International Airport is a Part 139 Commercial Non-Hub airport with approximately 36,000 annual operations and 130 based aircraft. Airside facilities include Runway 9R/27L, an 8,412 foot by 150 foot asphalt precision approach instrument runway, 9L/27R a 4,300 foot by 75 foot runway and 18/36, a 7,100 foot by 150 foot non-precision instrument asphalt runway. All runways are serviced by parallel taxiways. SBN features 9 different visual and instrument approaches into the airport. The airport also has a manned control tower active 365 days a year, Sunday through Friday from 5:30 am to 12:00 am and Saturday from 5:30 am to 11:45 pm except where hours are extended for special events.

The airport offers two privately operated Fixed Base Operators (FBO) who provide full service fueling (Jet A and 100LL). Fifty-four t-hangars are owned and managed by the airport; thirty-three currently have capacity to be leased by customers. Wilco Aircraft Services and Michiana Aircraft Services are both located on airport and provide aircraft maintenance and repairs.

The RFQ provides an excellent opportunity for any existing business or prospective business interested in basing aircraft or expanding aviation-based business in the northern Indiana and southwestern Michigan region. The facility that would be available for lease includes the following:

### **b. Post and King Hangar**

The hangar was constructed in 1960 and is approximately 22,827 square feet with 2 separate, attached office spaces of 1,600 square feet. The structure is metal frame with steel sheeting. The hangar is accessed by 12' tall rolling doors and is currently not heated. The attached office space is heated and air-conditioned. Water and gas are available, restrooms are on city sewer and floor drains go to a dry well. Paved parking is available next to the hangar with aircraft ramp access. There is approximately 17,000 square feet of aircraft parking apron available with access to taxi lanes. A minimum of 10,000 square feet is required to be leased for Specialized Aviation Service Operations (SASO).

c. Exhibit A – Layout of the Lease Space



## II. PROPOSAL

### a. Proposal Terms

The available airport facilities for the selected tenant will include those mentioned in the previous section titled "Post and King Hangar". The hangar has been appraised and the lease rate is set in accordance with the Indiana Code. The hangar lease will be a triple net lease and will contain minimum maintenance standards and minimum pavement standards for ramp and car parking. The winning proposal will have sub-lease tenants' rights to be reviewed and approved by the Airport Authority.

### b. Proposal Requirements

In order to be considered responsible to this RFQ, each proposal shall conform to the following requirements:

#### i. Layout of the lease: (Exhibit A)

- Yellow boxed area is not for lease. The 180 SF of that space will be retained by the Airport Authority. Power to this area will be provided by Proposer who will receive a credit of Twenty-Five Dollars (\$25.00) per month for this service. Any mutually agreed improvements to that space will receive rent credits from the airport authority.
- Blue area is grass common area that the proposer agrees it will maintain.
- Green area is exclusive ramp space to be leased with the facility. The green dotted area is additional ramp space that must be leased by the tenant if it becomes available. The lease rates and term will be the same as the exclusive ramp space.
- Purple area is roughly 13,000 SF (roughly 11,800 SF usable) exclusive parking space to be leased with the facility. The proposer understands it must maintain a 15 foot space between the fence and the front of vehicle parking based on current TSA and FAA regulations; however this is subject to change. Additionally, a 15 foot space must be maintained between the parking area and the trash compactor. The proposer agrees it will improve, maintain and stripe the exclusive parking area including the 15 foot easement area. The proposer further agrees, it will not allow anyone not traveling on the companys' behalf to park in its employee exclusive parking area and travel commercially out of South Bend International Airport. The proposer understands the business will be billed at \$100 dollars per occurrence and agrees to follow the Airport Authority ticket appeal policy if they disagree with the ticket. The parking area will be maintained by the Lessee. The Lessee agrees its snow removal plan is to be approved and coordinated with the Airport Authority's.
- Red area is the Post and King Facility.

### c. Proposal Contents:

- i. Submit two (2) copies of the Proposal in a sealed envelope or package.
- ii. The Proposal shall incorporate identification information necessary to provide

- sufficient background information regarding the business as detailed below.
- iii. Name, address, email, telephone, fax number and state of incorporation (if applicable)
  - iv. Full Name, address, and title of each officer in the business. If a corporation, include the same of all board members.
  - v. If applicable, a list of references including names and telephone numbers, for financial and business experience is recommended.
  - vi. A detailed description of your intended use for the hangar. What would the proposer do to maximize the use of the space available for aeronautical purpose? If selected as the tenant, would it expand the proposer's use of the Airport facilities, would it increase the proposer's number of employees?
  - vii. What is the length of term the proposer seeks?
  - viii. If proposing upgrades to the facility, is the business requesting any airport participation in the upgrades?
    - What is the minimum capital investment to be made by the proposer?
    - What are the lease credits requested to make the capital investment?
  - ix. The Proposal shall address the evaluation criteria set forth in this RFQ. In addition, detail the businesses proposed business plan of the hangar and whether or not it would provide any other ancillary services to other tenants or users on the airfield (example aircraft maintenance, aircraft storage, etc.)

**d. Submission Requirements**

- i. Name and Address of the business
- ii. Due date and time 3/31/2017 4:30 PM
- iii. Envelope Contents (i.e. Proposal or Financial Information)
- iv. "RFQ #102" Responses should be submitted to: St. Joseph County Airport Authority, Attn: Kerianne Linn, 4477 Progress Drive, South Bend, IN 46628

**III. EVALUATION CRITERIA**

<u>Criteria</u>	<u>Points</u>
Lease rate and term	35
Investment into the property	25
Business Plan/Use/Qualifications	18
Using and/or providing ancillary services	22

**IV. QUESTIONS**

All questions related to this RFQ shall be forwarded to Kerianne Linn, Properties Manager, in writing to 4477 Progress Drive, South Bend, IN 46628 7502 or via e-mail to [klinn@sbnair.com](mailto:klinn@sbnair.com). Questions must be received no later than March 3, 2017. Questions and answers will be provided to all proposal holders.

**V. AIRPORT VISIT (OPTIONAL)**

All interested parties and potential Consultants/Firms may attend an optional site visit to review the details of the Airport and ask any questions required. The optional site visit will occur at February 24, 2017 at 1:00 pm EST. The Airport Authority reserves the right to provide answers to any questions in writing and to provide those answers to any and all interested parties.

**VI. CONTRACT REQUIREMENTS**

The proposer awarded this contract shall, upon notification of award, apply for registration with the Indiana Secretary of State's Office to do business in the State of Indiana, if not already so registered. The Airport Authority **will NOT execute a contract** until the business is registered with the Secretary of State's Office.

The business awarded this contract shall procure and maintain, during the term of the agreement, insurance of the types and minimum limits set forth as determined by the Airport Authority and outlined in the written agreement between the Airport Authority and the business. Such insurance shall show on their insurance summary that the business is a named insured and must include the Airport Authority, its officers, agents, employee and volunteers as "Additional Insured" under its policies and must be endorsed to the applicable policy.

All proposals become the property of the Airport Authority upon submission. The cost of preparing, submitting and presenting a proposal is the sole expense of the proposer. The Airport Authority reserves the right to reject any and all proposals received as a result of this solicitation, to negotiate with any qualified source, to waive any formality and any technicalities or to cancel this RFQ in part or in its entirety if it is in the best interests of the airport. This solicitation of proposals in no way obligates the Airport Authority to award a contract.

**VII. CONTRACT TERMS AND RATES**

The Airport Authority seeks to enter into a contract with the rates below, additionally; the Authority seeks a contract that is ten plus years (10+ years) with two (2), five (5) year options.

**Base Rent.**

1. The building base rent to be paid by LESSEE to LESSOR is calculated as **\$ 6.00** annually per square foot within the Demised Premises, and it is agreed that there are **22,827** square feet within the Demised Premises. Accordingly, the rent during the primary term of this Lease is **\$ 136,962** annually, which shall be paid in monthly payments of **\$11,413.50**, payable in advance, on the first day of each month until paid in full.
2. The base ramp rent to be paid by the Lessee to Lessor is calculated as **\$ 2,520** annually, which shall be paid in monthly payments of **\$ 210** (minimum required 10,000 square feet of ramp space).
3. The base parking area rent to be paid by the Lessee to Lessor is calculated as **\$3,276** annually, which shall be paid in monthly payments of **\$ 273** (roughly 13,000 square feet of parking space)

**Rent Modification.** Beginning on the 1st of every year thereafter during the remainder of the term hereof, the base rental amounts (as the same may be modified from time to time under this Contract or any amendment approved to this Contract) shall be increased by three percent (3%). All leased space rates will increase per the annual Rates and Charges Resolution.

**\*Note:** The Airport Authority will consider proposals for reduction of lease payments in lieu of tenant performed hangar upgrades and remodel. This will be considered based on the annual rent and term offered in coordination with the amount of the tenant invested improvement.