

REQUEST FOR PROPOSALS

SPACE FOR LEASE

South Bend International Airport

A. Introduction and Purpose

The South Bend International Airport (“Airport”), owned and operated by the St. Joseph County Airport Authority (“Authority”) is requesting proposals from qualified Operators to enter into an agreement (“Agreement”) to rent space in the public areas of the terminal at the South Bend International Airport and outbuildings owned by the St. Joseph County Airport Authority, utilizing the space to preferably provide services to the traveling public and local community. If a proposal is accepted by the Authority, the successful proposer (“Lessee”) will enter into a lease agreement with the Authority to lease space and conduct business according to Authority’s standards. The Authority is seeking partners that share its vision of quality, focus on customer service and meeting customer’s needs. The goals of this RFP are to optimize revenue for the Authority and Lessee; meet customer demand for quality and value; and exceed customer expectations by providing excellent customer service. Proposals can be submitted to utilize one or more open spaces. Multiple proposers can be successful as the Authority seeks to maximize utilization of open space.

B. Subject Property- Terminal and Out property

1. Terminal-
 - a. All vacant and open space in the terminal shall be considered
2. Out Property (not at terminal)
 - a. 4817 Lincoln Way West Office Space w/ maintenance bays approximately 7, 448 S.F.

The Authority will entertain any approaches regarding delivery of services to customer, due to location and other factors that may be present. Accommodations may be made for reasonable requests, subject to review and negotiation of terms.

C. Lease Term

The Authority envisions the listed properties to have long term leases and is willing to consider a renewal option to the successful proposer, except when noted otherwise.

D. Rent and Fees

The Authority expects that rent will be adjusted on a periodic basis (at no more than yearly intervals) throughout the term of the Agreement. There will be a minimum of base rent established by current

rates and charges, and depending on the proposed use of the space, a percentage of gross fee, whichever is larger monthly.

E. Schedule for RFP Process

The Schedule for this RFP process (which is subject to change) follows:

- | | | |
|-----|--|-----------------------|
| 1. | RFP Issuance | March 1, 2024 |
| 2. | Airport tour (by appointment only) | Prior to March 14 |
| 3. | Questions due by 12:00 P.M. E.S.T. | March 15, 2024 |
| 4. | RFP addendum if necessary | March 22, 2024 |
| 5. | RFP proposals to Authority by 12:00 P.M. | April 5, 2024 |
| 6. | Select qualified proposers invited to present to
Selection committee (if necessary) | April 12, 2024 |
| 7. | Interviews completed by | April 19, 2024 |
| 8. | Selection of qualified proposer (s) | April 22, 2024 |
| 9. | Ratification by the Board | April 25, 2024 |
| 10. | Negotiation of Leases and signature by Proposer | Prior to May 30, 2024 |
| 11. | Lease approval by Board | May 30, 2024 |

F. Proposer's Instructions

The Authority is soliciting competitive proposals because it has determined that this process best serves the interests of the Airport Authority and the public. All proposers will be afforded full opportunity to submit proposals in response to this RFP and no person shall be discriminated against on the grounds of race, color, age, sex or national origin.

Airport Authority staff will evaluate all proposals based on what is most advantageous to the Airport and its patrons. Staff will then select one or more proposers that best meets the evaluation criteria and make a recommendation to the Authority Board. Under no circumstances will the committee or the Authority Board be obligated to accept any proposal and reserves the right to reject any or all proposals for any or no reason, to modify, supplement, or amend this RFP, the process or the schedule, to waive postpone, reissue or cancel the RFP or to advertise for new proposals.

Proposals will be received and publicly acknowledged at the location, date and time stated in Section E. A digital copy must be submitted and properly marked with proposer's name. Proposers, their representatives, and interested persons may be present as each proposal is acknowledged. The proposal shall be received and acknowledged only to avoid disclosure of the contents to competing

offers and kept secret during evaluations and negotiations. However, proposals shall be open for public inspection after the contract is awarded, except for trade secrets and confidential information contained in the proposal and identified by proposers as such.

The proposer shall not lobby, either on an individual or collective basis, the Authority (its Board, employees, or outside advisors) or any federal, state or local elected or public officials or support staff personnel regarding this RFP or its proposal. Proposers, the proposer's acquaintances, friends, family outside advisors, agents or other representatives shall not contact the Authority (its Board, employees, or outside advisors) or any federal, state or local elected or public official or support personnel to arrange a meeting, visits or presentations beyond those contemplated in this RFP to influence the outcome of the selection process. Violation of the provision, by or on behalf of the proposer, intentionally or unintentionally, will result in disqualification of the proposers and/or rejection of a proposal.

All proposers shall submit evidence that they have the necessary qualifications, experience, capabilities and financial resources to fulfill the terms and conditions of the lease agreement. As such, proposers must complete and/or submit all the information, data, documentation and material stipulated in the RFP. Failure to do so will be grounds for disqualification of the proposer and/or rejection of the proposal. The proposal and any other information, data, documentation and material submitted by the proposer will be relied upon by the Authority in making the decision to lease the subject property, and must be warranted by the proposer as true, accurate and complete.

G. Airport Tour (Non-Mandatory)

Interested Proposers may set up an appointment to tour the airport or outbuildings as it pertains to this RFP up to and including the date listed in Section E. This is not mandatory. No questions regarding the RFP or potential lease will be answered during the tour. All questions must be submitted in writing and answered in an addendum.

Tours can be setup by contacting the Properties Manager, Kerianne Linn, A.A.E. at klinn@sbnair.com.

H. Investigation of conditions and circumstances

The submission of the proposal shall be considered conclusive evidence that the proposer: (1) has read, is thoroughly familiar with and fully understands the RFP and all related documentation and material, (2) considers itself fully qualified, experienced, capable and competent to occupy and use the subject property and successfully engage in the proposed activities at the airport and is fully aware and understands all the requirements associated with doing so, (3) has thoroughly, conscientiously, and independently investigated all aspects of the opportunity and all related documentation, or material conveyed in this RFP or otherwise provided by the Authority, (4) is fully aware of and understands the conditions or circumstances that exist in the aviation industry, the community, at the airport and in the marketplace.

No claim for adjustment of any provision of the lease agreement to be executed shall be honored after the proposal has been submitted on the grounds that the proposer was not fully informed as to the existing conditions or circumstances or other related matter. The Authority may choose to enter into

negotiations on such matters if it deems advantageous to the Airport after reviewing the proposal.

The Authority cannot and does not make any representation or warranty with regard to the information, data, documentation, and material conveyed in the RFP or otherwise provided by the Authority. The successful proposer will be leasing the subject properties in an “as is”/ “where is” condition without representations or warranties from the Authority as to the condition or suitability of the land and improvements for engaging in any particular activity. As such, proposers shall conduct their own independent investigation and analysis and make their own assessments, judgments and decisions regarding this opportunity.

I. Preparation of Proposals

Proposal must be complete, accurate and free of ambiguity, incomprehensibility, alterations or irregularities of any kind. Upon completion, the proposal must be signed in ink by the proposer or an authorized representative of the proposer and included in the proposal.

In the case of conflict between words and numerals, the words unless obviously incorrect shall control or prevail. Proposers are cautioned to verify and confirm all aspects of the proposal prior to submittal. Negligence or omission on the part of the proposer or any party preparing any portion of the proposal confers no right to withdraw or make changes, additions or deletions to the proposal after the proposal submission deadline.

The Authority shall not under any circumstances, be responsible for any costs or expenses associated with the proposal submitted. All costs and expenses incurred by the proposer in connection with the proposal submitted shall be the sole responsibility of (born solely by) the proposer.

J. Airport Information

South Bend International Airport is a 14 CFR Part 139 certificated primary commercial service airport located in north central Indiana, approximately 3 miles northwest of the City of South Bend, Indiana. South Bend’s four air carriers provide nonstop flights to 12 cities: Atlanta, Charlotte, Chicago, Dallas/Fort Worth, Punta Gorda/Fort Myers, Las Vegas, Minneapolis, Orland/Sanford, Phoenix/Mesa, Sarasota/Bradenton and Tampa/St. Petersburg, Knoxville with connections world-wide. South Bend International Airport’s multi-modal terminal serves over one million air and rail passengers each year.

Additional statistical information on SBN can be found at: <https://flysbn.com/media-statistics/>

K. Proposal Content

Proposals must be organized so that each element (identified below) is addressed in the order indicated herein. Each proposer must certify that it has not participated in collusion or other anti-competitive practices in connection with this RFP process by executing and returning with its proposal the Non-Collusion Affidavit in the form of Exhibit B attached hereto. Proposers must answer all questions completely and accurately and furnish all required information, data and documentation and material.

The Authority is receptive to creative approaches regarding the delivery of services, customer satisfaction and improved revenues.

1. Cover Letter- Each proposer must submit a cover letter identifying the name of the proposing entity. The original proposal must be signed by an authorized representative of the proposing entity who can make contractual agreements and/or commitments on the behalf of the proposer.

2. Qualifications and Experience

a. Each proposal must provide a description of the proposer's experience, qualifications and capabilities to engage in the proposed activities at the airport.

b. List any judgements or lawsuits filed against the Proposer over the last five (5) years; and the name location and the date of leases that have terminated over the last three (3) years and the reason for the termination.

c. A list of 3 business references, including contact information.

d. A description of Proposer's past experience and current similar operations including a summary, with photographs of up to three (3) similar types of operations, that Proposer currently manages or operates, including detailed summary of the capital investment of similar operations.

3. Operational Plan

a. Describe business concept and what the space will be used for

b. Submit an estimated budget, schedule, and schematic concepts identifying the types of finishes, furniture, equipment and the structure of capital improvement funding

c. Describe any requests and any accommodations needed from the Airport Authority

d. Describe products, food or services to be provided, including concepts and brand names with a description of any unique attributes of the proposed concepts, the proposer's pricing Practice current expectations are and how it is determined. Describe quality assurance procedures, customer service policies, staffing training and staffing projections to support hours of operation. Outline promotional concepts to increase sales and customer satisfaction.

4. Management Plan

a. A statement of the proposer's mission, vision and values.

b. A chart depicting the proposer's organizational structure (to include the name and title or position of all key personnel).

- c. Resumes of proposer's principals, managers, supervisors and other key personnel including qualifications, background, references and experience of each individual.
- d. Proposed staffing levels and work schedules (for food and retail the Authority expects the businesses to be open and ready to serve when passengers are present, from the opening of the checkpoint screening until departure of the last flight each day)
- e. The name and background of any subcontractors or affiliates, including Airport Concessions Disadvantaged Business Enterprise's (ACDBE's) that may be utilized at South Bend International Airport; See Exhibit C attached.

5. Financial Plan

- a. A statement of financial capability, from a qualified financial institution or other reputable source (that can readily be verified through normal channels), that identifies the source and the amount of funds available to provide working capital to initiate the proposed operation.
- b. Provide a five-year projected income (profit and loss) statement that addresses the proposer's ability to initiate and sustain the proposed operation, with a market analysis supporting the projections.
- c. A detailed proposed rent structure: a standard monthly rent with increases; proposed percentage rent by unit or another financial model; the proposed minimum annual guarantee by unit; and/or other financial model. If percentage rent is proposed, it shall be based upon a single percentage for all that shall remain in effect over the term of the agreement or as stepped percentages that are applicable at different gross sales levels.

6. Marketing Plan

- a. A description of the proposer's target market(s), the marketing and sales strategies (including promotional methods and mix) and advertising that will be utilized to reach the target markets.
- b. A marketing budget.

7. Customer Service

A description of what customer service initiatives will be undertaken to meet and exceed customer service expectations.

L. Selection Criteria

In reviewing proposals to select a Lessee, the Authority will consider, in addition to other factors it deems advantageous to the airport and its patrons, the elements listed in Section K Proposal content; namely, qualifications and experience, operational plan, management plan, financial plan, and marketing plan. Each of the selection criteria factors will be evaluated and assigned a score. The relative merit of proposals will generally be determined by which proposal receives the overall highest scores. However, the final determination of the success of a proposal will be primarily evaluated based on what is in the best interest of the airport and compliance with requirements of this RFP. The highest numerical score in any particular category does not necessarily guarantee a successful proposal or the

execution of a concession agreement based on the proposal selected. The Authority may elect to not enter into a contract with any of the entities responding to this RFP.

The Authority reserves the right to reject all proposals. The Authority may enter negotiations with one or multiple proposers if it finds the proposals advantageous to the Authority, but the terms are not acceptable as proposed.

M. Miscellaneous

Any questions, comments, or requests concerning the RFP must be received in writing to Kerianne Linn, A.A.E. via email at klinn@sbnair.com prior to the deadline listed in section "E".

The Authority's responses to questions, comments, or requests will be provided in the form of a written addendum to the RFP. Any addendum issued by the Authority will be posted at www.flysbn.com/doing-business by the deadline listed in section "E".

Oral communications from the Authority (its Board, employees, or outside advisors, or any other person associated with this RFP) shall not be binding on the Authority and shall in no way modify any provision of the RFP document. Only written responses (in the form of a formal addendum) issued by Authority, shall be binding by the Authority.

N. Subordination to the Authority's Grant Assurances

The lease, or leases, with the successful proposer(s) will be subordinated to the provisions of any existing or future agreement between the Authority and the United States, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport. In the event that the Authority reasonably determines that the lease or leases causes or may cause a violation of any agreement between the Authority and the United States, the Authority shall have the unilateral right to modify the lease or leases to ensure compliance with all such agreements with the United States. This subordination provision shall survive the execution of such lease or leases with the successful proposer.

O. Submittal

Proposals shall be received at the Information Center office in the South Bend International Airport at 4477 Progress Drive, South Bend, IN 46628 until the date/time provided for in Section "E". Proposals received after that time will be returned unopened. Each proposal should be placed in a sealed envelope or box and clearly marked RFP for Lease Space.

Exhibit A

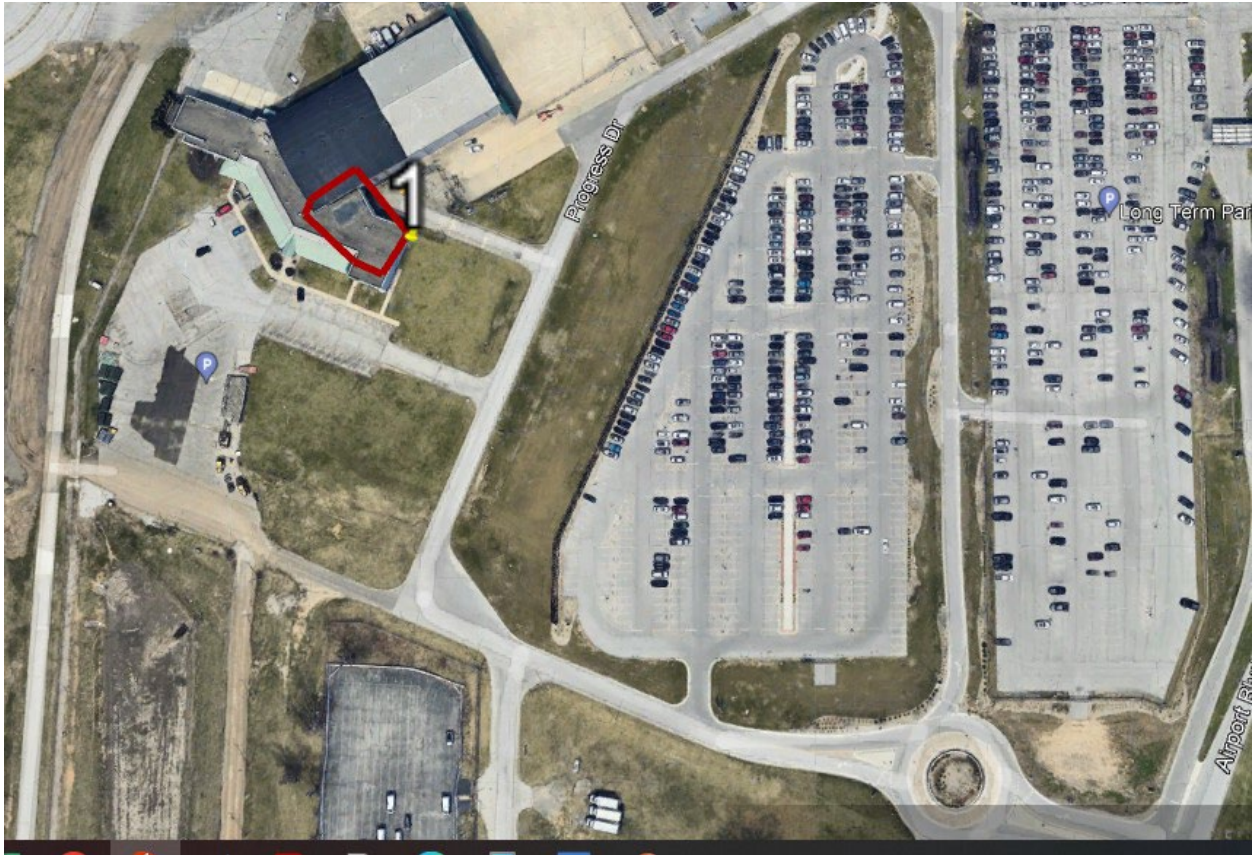


Exhibit B

NON-COLLUSION AFFIDAVIT

STATE OF _____)
)
_____ COUNTY)

The undersigned authorized representative of Proposer, being duly sworn on oath, states that he/she is duly authorized to act on behalf of Proposer and has not, nor has any other employee, member, representative, or agent of the firm, company, corporation or partnership represented by him/her, entered into any combination, collusion or agreement with any person relative to the price or services to be offered by any person nor to prevent any person from making a proposal nor to induce anyone to refrain from submitting a proposal and that this offer is made without reference to any other offer.

Respondent (Name of Firm) _____

Signature of Representative/Agent _____

Printed Name of Representative/Agent _____

Title _____

Subscribed and sworn to before me this _____ day of _____, 2024.

My Commission Expires: _____

Notary Public: _____

County of Residence: _____

Exhibit "C"

In accordance with Regulations of the U.S. Department of Transportation, 49 CFR 23, Subpart F, the St. Joseph County Airport Authority has implemented an airport concessionaire disadvantaged business enterprise (ACDBE) plan under which qualified firms may have the opportunity to operate an airport business. An ACDBE Goal of 1.6% percent, as measured by total estimated annual gross receipts, has been established for the Lease Agreement(s); however, additional points will be granted to Proposers who propose to exceed this goal. The successful Proposer(s) shall take all necessary and reasonable steps to achieve this goal.

ACDBE participation may be in the form of one or more subleases, joint ventures, partnerships, or another legal arrangement meeting the eligibility standards in 49 CFR 23, Subpart F, or participation may be in the form of the purchase of services, goods and products necessary for the conduct of its business and operation at the Airport. In the event that the Proposer qualifies as an ACDBE, the goal shall be deemed to have been met.

During negotiations, the apparent successful proposer(s) will be required to submit information concerning ACDBE firm(s) that will participate in the lease(s), including the name and address of each firm, the annual estimated gross receipts to be earned by each named firm pursuant to the lease, a description of the legal arrangements or goods, services and/or products to be provided and the total overall estimated annual gross receipts to be earned by the Concession.

If the successful proposer(s) will be unable to achieve the ACDBE goals stated herein, it or they will be required to provide the documentation to the Authority's ACDBE Liaison Officer demonstrating that it or they took all necessary and reasonable steps in attempting to do so.

St. Joseph County Airport Authority's ACDBE liaison officer is Kerianne Linn, A.A.E., who is available at 574-800-3221 or by email at klinn@sbair.com. Its ACDBE Concession Plan is available for review at www.flysb.com. Please note that Ms. Linn is available to assist with identifying any local ACDBE firms that may be available to provide the goods or services identified by potential Proposers.