



**REQUEST FOR STATEMENTS OF INTEREST AND PROPOSAL (RFI/RFP)
FOR A RESTAURANT IN THE
LIVERMORE AIRPORT ADMINISTRATION BUILDING**

Date: January 18, 2012

Proposal Due: By 5:00 PM on March 2, 2012

A. Introduction

The City of Livermore ("City"), as owner and operator of the Livermore Municipal Airport ("Airport"), is requesting statements of interest and proposals from experienced and qualified restaurant operators ("Restaurateurs") to initially assist in the design of a new restaurant, then outfit, market and operate the restaurant in the Airport's new Administration Building.

The purpose of this Request for Statements of Interest and Proposals ("RFI/RFP") is to provide a format for the evaluation of Restaurateurs who have the experience, qualifications and capital necessary to meet the following key objectives for a new restaurant concession at the Airport.

B. Key Objectives

- Implement an effective and continuous restaurant marketing program to attract patrons to the restaurant specifically and to the Airport in general.
- Emphasize design and development standards for high-quality, attractive, and creative facilities that promote a strong sense of place and reflect the character of the Tri-Valley area.
- Provide a high level of customer service with a balanced mix of variety and choice of healthy, high quality comfort food and beverage products, competitive pricing, friendly service that reflects positively on the community, and clean inviting facilities.
- Provide a "higher end" restaurant to meet the unmet needs of businesses in northwest Livermore. The character of the restaurant should be to serve a higher level clientele than would otherwise be served by a basic café, neighborhood bar and grill, or similar establishment.

As described below, the City intends to build the new restaurant with input from the successful Restaurateur. Hence, an Exclusive Negotiating Rights Agreement, followed by a Restaurant Lease Agreement, may be negotiated with the Restaurateur who submits a proposal that best meets all of the qualifications required by the City as set forth herein and offers the greatest overall benefit to the City. The City may choose to select a short list of the top-ranked Restaurateurs who would then be asked to submit additional details and information for consideration by City.

C. Site Location and Description

The City of Livermore owns and operates the Livermore Municipal Airport. The Airport encompasses 644 acres and forms the western boundary of Livermore. The Airport provides facilities and services to private and corporate general aviation communities in the Tri-Valley region, which is comprised of the Cities of Livermore, Pleasanton, Dublin and San Ramon. It is home to over 500 based aircraft and the tenant origins reach far into the San Francisco Bay Area's East Bay and beyond.

The new Livermore Airport Administration Building will be located immediately adjacent to the current Terminal building on Terminal Circle, which is accessible from both Airway Boulevard and Club House Drive (see attached Building and Restaurant Location Plan).

The Airport is situated in close proximity to commercial office parks and high-tech industries, and serves those year-round along with residents, airport tenants and visitors of the Tri-Valley region. The success of the restaurant depends on local businesses, residents and visitors (landside) as well as private and corporate airport users and passengers (airside). Further, easy access, sufficient parking and a potentially enticing ambiance supported by other concessions in the building will be appealing to patrons.

The new building is currently being designed by an architect and should be constructed by late 2012 or early 2013. The restaurant design is critical to its success and hence, this RFI/RFP will afford the prospective Restaurateur input in the final restaurant design, layout and style as well as the build-out of the restaurant, bar, kitchen and service areas.

A conceptual restaurant layout plan envisions approximately 2,100 square foot of indoor restaurant and bar area with a flexibly-sized, seasonal outdoor dining area, and a roughly 900 square foot kitchen. The building design also envisions an elevated view of the entire airfield and the rolling hills in the background from the bar, restaurant, and the outdoor patio seating area.

Regardless of the early conceptual plans and assumed square footages, the Restaurateur is expected to coordinate with the architect to integrate the restaurant design into the Administration Building and use design creativity to accentuate the dominant theme of the food and beverage concept, while complimenting the imagery for the Airport and the sense of place of Livermore and the Tri-Valley area.

Since both air and landside patrons will be served, the City expects that the restaurant will be open at suitable hours to at least serve lunch and dinner during a minimum of 360 days per year. Because of the potential to directly compete with another municipally sponsored

restaurant operation, breakfast service is not desirable unless such services are directly associated with aircraft catering. It is further presumed that an “On-Sale General-Eating Place” liquor license from the California Department of Alcoholic Beverage Control to provide full liquor service (beer, wine and distilled spirits) for patrons be maintained during the entire term of the restaurant lease.

The City of Livermore is committed to improving the health of its citizens, increasing the production and the use of renewable and non-polluting energy sources, reducing the volume of waste, increasing the use of recycled materials, conserving water, reducing CO₂ emissions and encouraging the construction of facilities that follow Leadership in Energy and Environmental Design (LEED) principals and utilize the most recent green building technologies and materials, wherever practicable.

D. Minimum Qualifications

The Restaurateur must demonstrate proven experience and financial resources to meet the mandatory minimum qualifications required by this RFI/RFP to operate a restaurant, including, but not limited to, evidence of five (5) years continuous experience within the last ten (10) years in the ownership, marketing, management, and operation of a restaurant with at least 100 seats and a liquor license.

The City will carefully consider the Restaurateur’s qualifications, experience, financial responsibility and management plan in evaluating the proposals. Consideration will be given for proof of the experience and success, and financial responsibility of Restaurateur in the management and operation of a restaurant. Evaluation of the proposal as a whole will bear more weight than any individual part.

E. Required Statement & Proposal Documents

Statement of Interest / Business Plan

The Statement of Interest segment of the submittal should contain the following elements:

- S-1 Since this involves a new restaurant, the Statement of Interest shall describe Restaurateur’s past and present experience and qualifications in the establishment and operation of a similar restaurant (see Minimum Qualifications above).
- S-2 A description of Restaurateur’s approach to design, develop, market, and operate a restaurant at the Livermore Airport, including any past experience in the design of a new restaurant. If a company or other organization is represented, descriptions and résumés of the owners and key management personnel who will be involved in the project should be provided.
- S-3 A description of Restaurateur’s vision of the new restaurant with respect to concept, branding, ambiance, innovation and quality cuisine. Although a detailed proposed menu is not required at this stage, a general description of the menus to be offered for lunch and dinner is required along with the estimated price range.

The Business Plan segment of the submittal should contain the following elements:

- B-1 A business plan that outlines the business organization, ownership/management and structure, along with staffing, financial reporting systems, internal and independent auditing systems, and complaint resolution procedures.
- B-2 An initial, five year pro-forma operating budget with start-up costs that should assume market-level lease rates and terms.
- B-3 A conceptual staffing plan; containing a description of the management structure and operation of the restaurant and bar.
- B-4 A description of Restaurateur's business organization, pursuant to the attached Business Organization Form.

References

Restaurateur shall provide:

- R-1 At least three (3) landlord, vendor, and other business references, including those for to-be-assigned management and supervisory personnel (include names and business telephone numbers).
- R-2 At least one reference from a bank or lending institution with which Restaurateur is presently conducting business shall be provided (include name and business telephone number). If less than two (2) years of experience with the institution, please provide one (1) additional reference.
- R-3 A list of liquor licenses under which Restaurateur is operating or has operated within the past five years, and the names and telephone numbers of the respective contact persons in the licensing authority issuing the licenses.

Financial Statements and Disclosures

Restaurateur shall provide:

- F-1 - Financial Statements of Restaurateur's collective businesses (including Balance Sheets, Income Statements, Cash Flow Statements and auditor's reports for the last 5 years).
 - 5-year Cash Flow projections.
 - Verifiable \$1.5 million in capital funding (to be verified by City).
- F-2 - Evidence of insurability (\$1 Million General Liability & Worker's Compensation).
- F-3 - Disclosures, if any, pursuant to the attached Financial Disclosure Form.

Guaranty Deposit

G-1 - Restaurateur shall submit a \$5,000 Guaranty Deposit as outlined in the attached form.

Proposed Fees

Restaurateur should propose economic terms for a Lease by completing the Fee Proposal section below. The City shall not be responsible for any fees associated with Restaurateur's consultations and coordination with the architect nor for the final restaurant interior design, furnishing and equipment build-out. The selected Restaurateur (Lessee) will be responsible for all permits, fees and taxes associated with the operation and management of the restaurant.

As discussed below, the City recognizes that it is the responsibility of the Restaurateur, at the Restaurateur's cost, to complete the final interior build-out of the restaurant facility. As such, the City will not require the successful Restaurateur to make percentage-of-gross payments to the Airport for an initial period of 36 months.

Proposed Lease Term and Capital Investment

Restaurateur should propose their requested term for a Lease and provide City with an estimate of their proposed capital investment by completing the attached "Proposed Lease Term and Capital Investment" section.

City recognizes that the lease term should be sufficient to allow the Restaurateur to amortize the expense to furnish and equip the restaurant over the life of the lease. City recommends a lease term of ten (10) years, with an option to extend or renew the lease. .

D. Submittals

Restaurateur shall submit six (6) copies of their Statements of Interest and Proposal to operate the described restaurant in response to, and in accordance with, this RFI/RFP. All Statements and Proposals should be sent, and any questions or comments directed to:

Leander Hauri, A.A.E.
Airport Manager
636 Terminal Circle
Livermore, CA 94551
(925) 373-5281

Proposals must be received at the above address by 5:00 PM on March 2, 2012 (see complete time schedule in below).

1. All Statements/Proposals must be received in sealed envelopes that are clearly marked in the lower left corner: "Statements and Proposal for Livermore Airport

Restaurant" and contain the required guaranty deposit. Late proposals will be rejected.

2. The Statements/Proposals must contain the name, address, and daytime telephone number for Restaurateur's contact persons to whom additional selection process requests should be communicated.
3. Restaurateur should designate one representative for receipt of all materials in this procurement.
4. Upon the request of, and at the discretion of the City, Restaurateur may be required to supply additional information, or to make assigned personnel available for interviews or to make additional or supplemental submissions under secondary selection criteria, if any are deemed necessary by the Selection Committee.
5. Any false, misleading or incomplete information submitted by a Restaurateur at any stage of the selection process, whether written or in a formal interview, shall be grounds for immediate disqualification of that party from the process.
6. During the selection process, all Statements/Proposals shall remain confidential. The entire selection process file shall be open to the public after an Exclusive Negotiating Rights Agreement is approved by the Livermore City Council, except as to those items for which confidentiality has been requested in writing by the respondents and the City Attorney has reviewed and determined to be confidential under the California Public Records Act and other relevant statutes and regulations.

E. Time Schedule

The City will endeavor to use the following timetable, which could result in the final selection of one (1) selected Restaurateur by March 23, 2012:

January 18 to February 2	RFI/RFP released and advertised.
March 2, by 5:00 PM	Statements/Proposals due.
March 23	Selection of Restaurateur
April 23	Staff recommendation to City Council and request to initiate negotiations with preferred proposer and enter into an Exclusive Negotiating Rights Agreement (ENRA).
May 11	Negotiation and execution of ENRA.

The negotiated ENRA allows the Restaurateur to confer with the architect, although the lease term will take effect on the day the restaurant officially opens for business as evidenced by an occupancy permit and all of the required licenses.

F. Selection Process

City staff will review all proposals, conduct reference checks, make any necessary follow up inquiries, and may select a Restaurateur with whom to negotiate the final terms of an Airport Restaurant Lease, or the City may reject all proposals. The City reserves the right to select a short-list of top-ranked Restaurateurs, based on the initial response, and to request from those Restaurateurs more detailed proposals before making a selection of the successful Proposer, if any.

The City may schedule and conduct an oral interview and receive presentations from the top-ranked (short-listed) Restaurateurs, to determine the selected Restaurateur and rank order of proposals. The oral presentations/interviews, should they be necessary, are anticipated to be held during the week of March 12, 2012. Failure to appear for an interview will be grounds for disqualification from further consideration. The City reserves the right to award the lease without holding oral presentations/interviews, should the rating panel find this step unnecessary.

The decision on selection or rejection will be made by March 23, 2012, unless additional time is required. If additional time is required, the Restaurateurs will be notified of the City's need for additional time.

This RFI/RFP does not commit the City to award a Lease, to pay any costs incurred in the preparation of proposals, or to procure or contract for services or supplies. The City reserves the right to accept or reject any and all proposals received as a result of the RFI/RFP, to negotiate with any experienced and qualified Restaurateur, and to modify or cancel in part or in its entirety this RFI/RFP if it is in the best interest of the City. Proposals will be evaluated and ranked based upon several criteria listed below.

G. Evaluation Criteria and Weighting

The selection of a top ranked Restaurateur will be based upon the following criteria and relative importance (or as the same may be amended or supplemented by published secondary selection criteria, if any):

1. Statement of Interest
 - A) Demonstrated past and present experience in the operation of a similar restaurant. 40 Points
 - B) Method and design approach of restaurant operation, and quality, substance and desirability of vision, concept, innovation of restaurant and cuisine. 40 Points
2. Business Plan 40 Points
Professional quality and substance of business plan; efficiency of

financial reporting, auditing and pro-forma budget; effective conceptual staffing and operations plan.

3. References and Financial Statements 25 Points

Demonstrated positive business reputation and financial responsibility, and successful liquor license management.

4. Fee Proposal 15 Points

Stated Minimum Monthly Guarantee (MMG) of base rent; proposed percentage rent (Column 1 being the base); proposed lease term, and capital investment.

Total Possible 160 POINTS

H. Airport Restaurant Lease Agreement

The Exclusive Negotiating Rights Agreement resulting from this RFI/RFP will be negotiated with that responsible Restaurateur whose offer, while conforming to the requirements of the RFI/RFP, is determined to be the most advantageous to the Livermore Municipal Airport.

Proposed Airport Restaurant Lease

Shortly before, or latest upon completion of the restaurant and issuance of the occupancy permit, the City will enter into a Restaurant Lease Agreement with the Restaurateur. Restaurateurs should propose their requested term for a Lease and provide City with an estimate of their proposed capital investment by completing the attached "Proposed Lease Term and Capital Investment Form."

City recognizes that the lease term should be sufficient to allow Restaurateur to amortize the expense of construction of the proposed tenant improvements over the life of the lease. City recommends a lease term of ten (10) years, but is willing to consider a longer term of up to twenty (20) years if City determines would be warranted by the amount of the proposed investment.

Responsibility of Fees and Taxes

It is the Restaurateur's responsibility to determine if any additional permits are necessary for the operation of the restaurant. The City shall not be responsible for any fees associated with the issuance of any required permits directly tied to designing, developing, marketing, or operating the restaurant. Further, the selected Restaurateur will be responsible for all fees and taxes (personal property and possessory interest taxes) associated with the day-to-day operation and management of the restaurant. In addition, insurance requirements in the lease will be the responsibility of the selected Proposer.

I. Fee Proposal

Base Rent - Minimum Monthly Guarantee (MMG)

Please propose a minimum monthly guarantee (MMG) of base rent per square foot for a Lease in the event you are selected as the successful Restaurateur.

Minimum Proposed: \$_____ per SF/Month

Percentage Rent

In addition to the MMG (base rent) described above, the City is seeking to receive a percentage of gross income generated by the restaurant concession. However, as previously indicated, the successful Restaurateur will have an initial period of 36 months during which no percentage rent will be due.

Restaurateur shall propose percentage rent figures in Column 2 below for the food/beverage categories listed. These percentages must meet or exceed the minimum percentages set forth below in Column 1.

<u>Food / Beverage Category</u>	Column 1 Minimum %	Column 2 Minimum %
Food and Non-Alcoholic Beverages	3%	
Alcoholic Beverages	5%	
Aviation Catering Services	3%	
Other Uses Pre-Approved by City (e.g., banquets or off-site catering)	6%	

The final terms of the Airport Lease Agreement will be negotiated between the selected Restaurateur and the Airport, subject to review and approval by the Livermore City Council.

Attachments:

- Proposed Lease Term and Capital Investment Form
- Guaranty Deposit Form
- Business Organization Form
- Financial Disclosure Form
- Restaurateur's Disclosure and Certification Form
- Conceptual Building and Restaurant Location Plan

Proposed Lease Term and Capital Investment Form

The Restaurateur should propose the length of term desired for the Restaurant Lease Agreement. City recognizes that the lease term should be sufficient to allow Restaurateur to amortize the expense of installing the proposed restaurant improvements over the life of the lease. City recommends a lease term of ten (10) years, with an option to extend or renew the lease.

Lease Term Proposal:

Please propose the length of term desired for the Restaurant Lease Agreement in the event you are selected as the successful Restaurateur. The proposed lease term should be between ten (10) and twenty (20) years.

Proposed Lease Term: _____ years.

Capital Investment Proposal:

The final terms of the Airport Lease will be executed between the selected Restaurateur and City staff, subject to review and approval by the Livermore City Council. Minimum required investment in tenant improvements shall be set forth in the Airport Restaurant Lease Agreement and shall be based on the Restaurateur's best estimate of the expense which will be incurred in the interior build-out of the restaurant facilities.

Restaurateur shall propose the amount of capital investment Restaurateur intends to make in the premises if successfully selected.

Proposed Capital Investment: \$ _____

The proposed capital investment above includes costs associated with the following construction expenses (provide general description of expense categories):

Guaranty Deposit Form

Deposit
Required:

Each proposal must be accompanied by a Guaranty Deposit as outlined below:

If the Restaurateur supplies a	Then it should
Guaranty Deposit	<ul style="list-style-type: none"> • Be in the form of a certified or cashier's check; • Be in the amount of \$5,000; • Be made payable to the City of Livermore.
Standard Commercial Guaranty Bond	<ul style="list-style-type: none"> • Be written by a company authorized to do business in the State of California; • Be in the amount of \$5,000; • Name the City of Livermore as Obligee.

NOTE: In the event the City cancels the award of the agreement prior to execution, all Guaranty Deposits will be returned to the Restaurateurs.

Successful
Restaurateur's
Guaranty
Deposit:

Unless applied to the Security Deposit required pursuant to the Restaurant Lease Agreement, the City will release or return the successful Restaurateur's Guaranty Deposit within thirty (30) days only after both parties have executed the Restaurant Lease Agreement.

If the successful Restaurateur	Then the Guaranty Deposit will
Executes and returns the agreement	Be refunded to the Restaurateur, or applied to the Security Deposit of the Restaurant Lease Agreement.
Fails to execute and return the agreement	Be forfeited to and retained by the City as liquidated damages.

Unsuccessful
Restaurateur's
Guaranty
Deposits:

Guaranty Deposits from unsuccessful Restaurateurs will be returned within thirty (30) days of execution of an Exclusive Negotiating Rights Agreement (ENRA) with the successful Restaurateur. Should the ENRA negotiations be unsuccessful, the next ranked Restaurateur will be asked to resubmit the Guaranty Deposit.

BUSINESS ORGANIZATION FORM

General Information

Instructions: Restaurateur is required to submit a completed *General Information* form (below) and then fill out the remaining forms that pertain to Restaurateur's type of business entity.

(Example: If Restaurateur's business entity is a corporation, fill out the General Information form and the Corporation Statement and attach a certified copy of the relevant portion of the bylaws.)

Business Information: Fill in the following information **exactly** as it is to appear on the ENRA and the subsequent Restaurant Lease Agreement. If operating under a dba, so indicate.

Name of Firm: _____

Principal Office Address: _____

Telephone No.: _____

Facsimile No.: _____

Form of Business Entity: Please check the box that describes your business entity:

- | | | | |
|--------------------------|-------------|--------------------------|---------------|
| <input type="checkbox"/> | Individual | <input type="checkbox"/> | Corporation |
| <input type="checkbox"/> | Partnership | <input type="checkbox"/> | Joint Venture |
-

Corporation Statement

Corporation
Information:

If your business is operating as a corporation, please answer the following questions:

- When incorporated? _____
- Where incorporated? _____
- Business purpose: _____
- Is the corporation authorized to do business in California?
 Yes No

If yes, as of what date? _____

- Is the corporation held: Publicly? Privately?
-

Directors'
Information:

Please supply the following information for each and every Director.
(Attach additional pages, if necessary.)

Director's Name & Address	Principal Business Affiliation (Other than Proposer's Directorship)

Officers'
Information:

Please supply the following information for each officer.
(Attach additional pages, if necessary.)

Officer's Name	Position

Action
Required:

Please attach a certified copy of the relevant portion of the bylaws or resolution of the Board of Directors of the corporation showing the authority of the Officer signing the proposal to execute contracts on behalf of the corporation.

Financial Disclosure Form

Include disclosure, if any, of Restaurateur's principals, directors, officers, or management team members, or similar persons (or any entity in which any of them have held a management or ownership position) involved with this proposal have:

- _____ Been convicted of a felony.
- _____ Been convicted of a crime of moral turpitude.
- _____ Been adjudged bankrupt within the last ten (10) years.
- _____ Defaulted on any loans, real estate leases, purchase contracts or other real estate agreements in the past ten (10) years.

Include a description of all charges of unfair or deceptive or anti-competitive business practices, or of fraud, criminal conduct or civil or criminal antitrust violation, brought against Restaurateur, any partner or principal owner of Restaurateur, or any director of, or officer employed by Restaurateur, or by any partner or principal owner of Restaurateur.

If disclosed, provide a detailed description (on a separate sheet) of the history and circumstances, including the current action.

Restaurateur's Disclosure and Certification Form

General Information

The Restaurateur hereby certifies that all statements and all answers to questions herein are true and correct to the best of its knowledge and belief. Statements must be complete, accurate and in the form requested. City reserves the right to confirm and request clarification of all information provided. Incomplete disclosures may deem Restaurateur's proposal to be non-responsive by City, and the proposal may be rejected and returned.

Restaurateur Name: _____

Address: _____

City: _____ State: _____ ZIP: _____

Telephone No.: () _____ - _____ FAX Number: () _____ - _____

E-Mail Address: _____

Proposal Certification

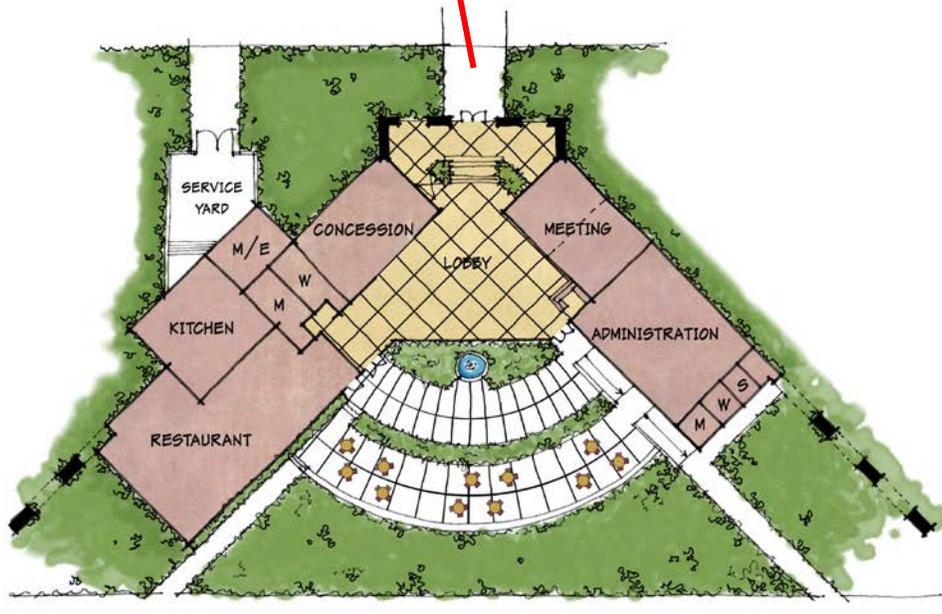
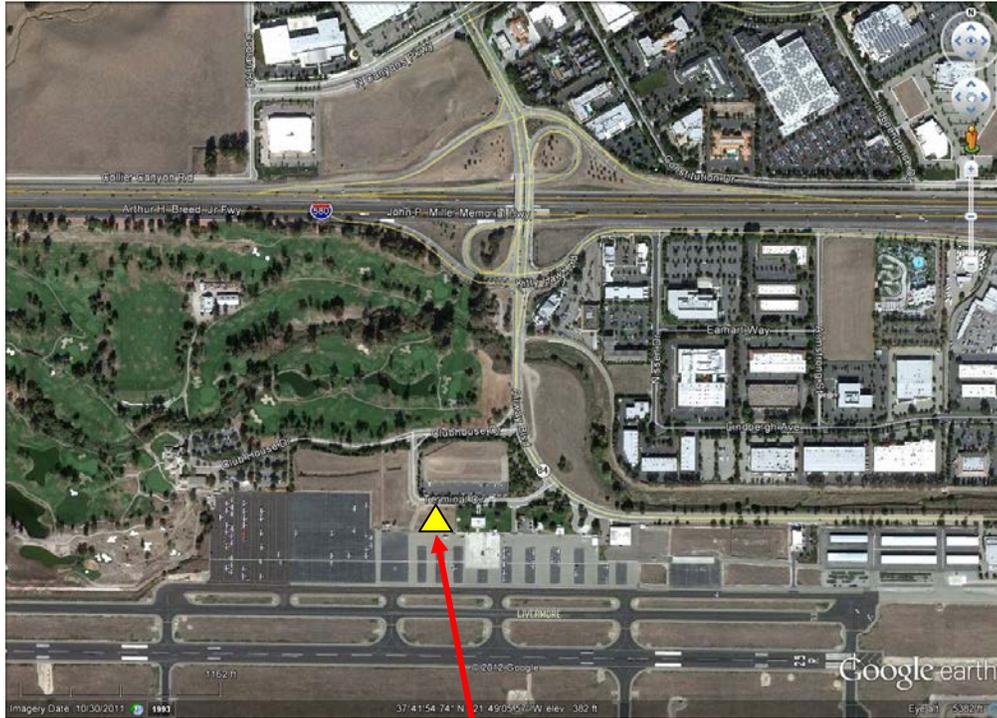
CERTIFICATION: I hereby certify that the information which I have provided in this proposal is true and correct, that I am authorized to sign on behalf of the business set out herein, and if requested by the City will provide, within ten (10) days of notice, the necessary documents to substantiate the information provided on this form.

Name: _____ Title: _____

(CORPORATE SEAL)

Dated: _____

Conceptual Building and Restaurant Location Plan



CONCEPT PLAN B



LIVERMORE AIRPORT BUILDING

LIVERMORE, CALIFORNIA

Date: January 04, 2012



5545 Owens Drive
Pescadero, CA 94026
925.251.7200
925.251.7201 fax