

Non-Exclusive Food, Beverage, and Retail Concessions

Pre-submittal Meeting

December 16, 2021

 ELEVATE


GERALD R.
FORD International
Airport

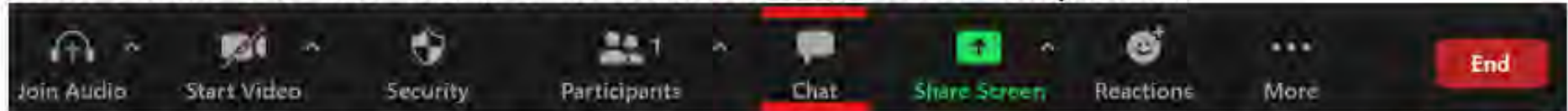
Welcome!

- Solicitation Overview
- Team Introductions
- Meeting Logistics
- GRR Overview
- Project Elevate!
- Concessions Program Overview
 - Existing Program
 - Concourse A Expansion Opportunity
- RFP Process & Schedule
- Q&A

Meeting Logistics

Attendee Questions in Chat

- Chat is located in the bottom toolbar (see screenshot below) of the Zoom platform.



- Use the Chat section to ask questions, provide a comment, and/or report technical difficulties or Zoom issues to the virtual conference host. At this time, the presenters will not take any oral questions, so please place any questions or comments within the Zoom Chat, and a moderator will ask them aloud during the designated question and answer session.
- When asking questions in the Chat, be as specific as possible. The moderator will answer as many questions as possible during the virtual conference. The questions may not be answered in the order in which they are received. All questions may not receive responses at the meeting. However, all questions submitted in chat during the pre-response meeting, are considered written questions and relevant questions will receive responses in an Addendum.

Reminder for the Concourse A Concession Program Pre-Proposal Conference

- The meeting will be recorded and a link to the recording will be distributed following the meeting to all who request a copy in writing, either here in the Chat, or via email to Purchasing@grr.org. If you make such a request in Chat, please include your name, company, and email. Any requests lacking this information will not receive a response.

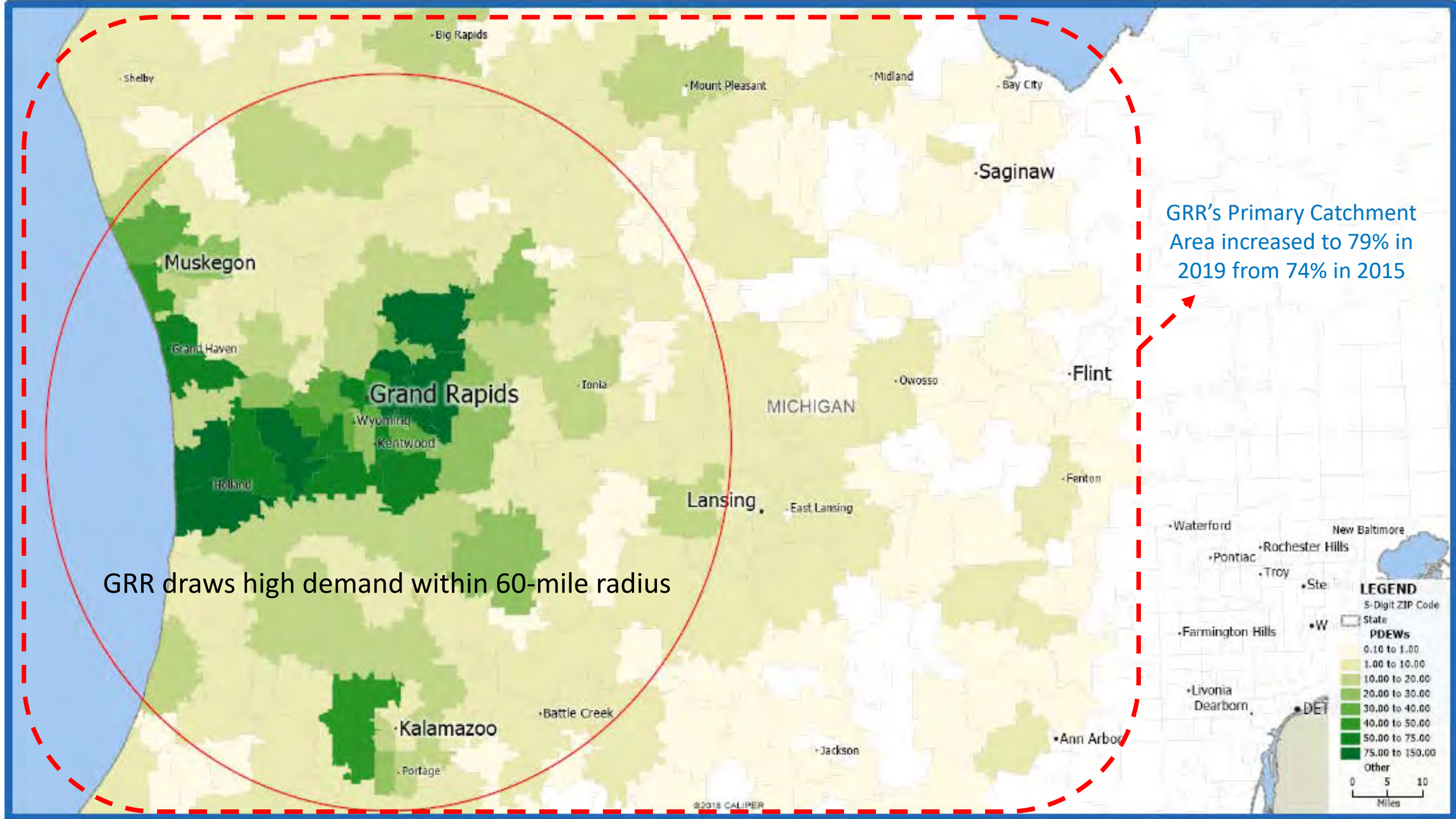
Airport Overview





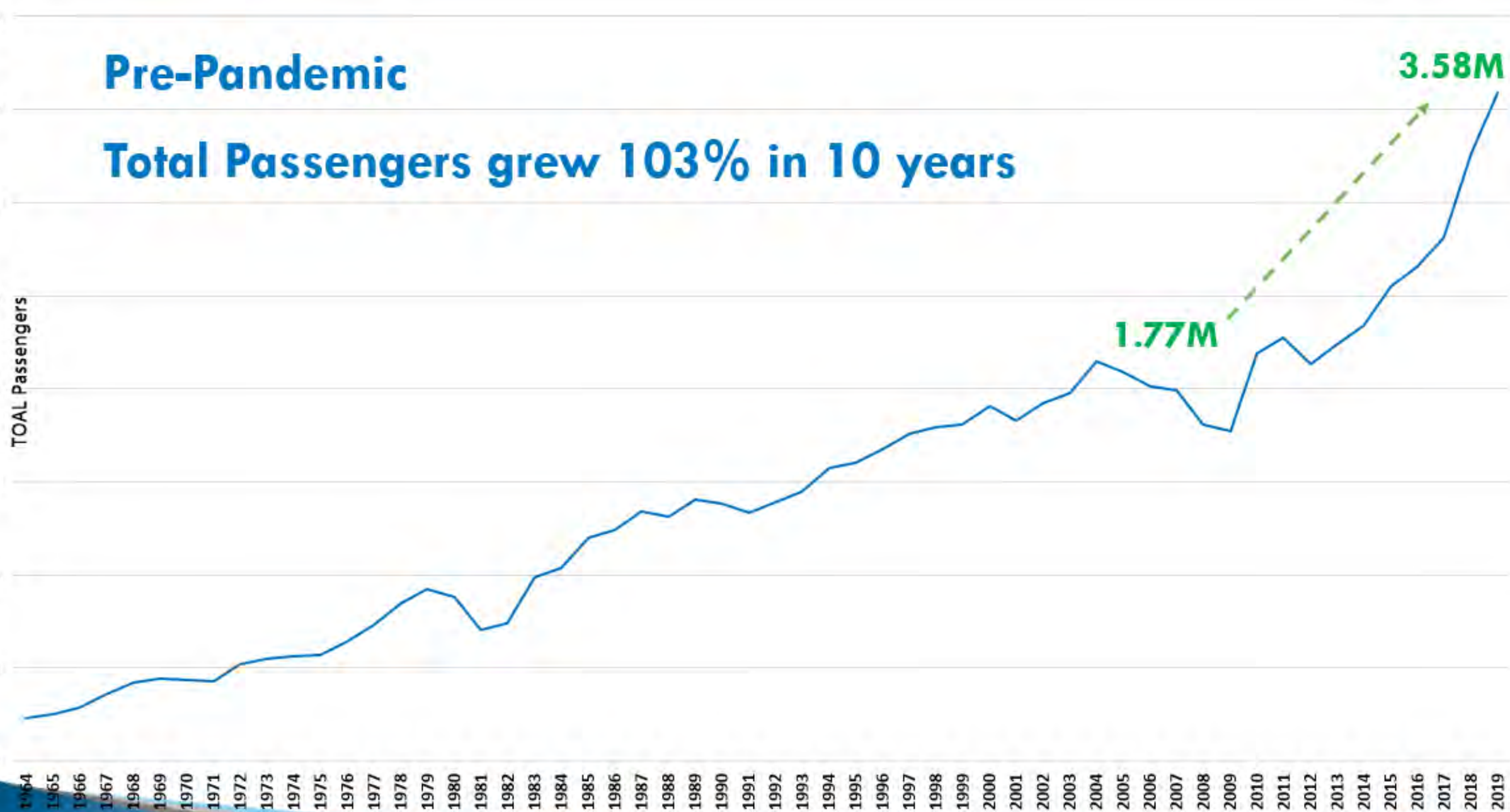
GRR Fast Facts

- **2nd Largest Airport in Michigan**
- **3.5 Million Passengers in 2019**
- **3,200 Acres of Land**
- **\$3.1B of Economic Impact to West Michigan**
- **Over 100 Businesses Supporting 2,000+ Direct Jobs**



Pre-Pandemic

Total Passengers grew 103% in 10 years



1,500+ Flights and 173,000 Outbound Seats to 31 Non-Stop Destinations in December 2021



1,582 Flights to 32 Nonstop Destinations in Dec 2021

DEC 2021 DESTINATIONS BY AIRLINE

Airline	Market	Flights	Seats
	PIE	36	6,486
	SFB	36	6,480
	PGD	34	6,126
	AZA	18	3,258
	FLL	18	3,225
	LAS	17	3,066
	SRQ	12	2,160
	AUS	9	1,674
	BNA	9	1,611
	BOS	5	900
	LAX	5	900
	VPS	5	780
	204	36,666	
	CLT	87	9,982
	ORD	99	6,289
	DFW	84	6,120
	DCA	45	3,090
	PHX	16	2,400
	MIA	31	2,356
	PHL	27	1,350
	389	31,587	
	ATL	114	16,271
	DTW	142	12,919
	MSP	140	12,442
	LGA	60	4,296
	456	45,928	
	RSW	17	3,150
	MCO	17	3,138
	TPA	14	2,604
	DEN	11	2,046
	59	10,938	
	MDW	62	10,722
	DEN	28	4,388
	BVI	27	3,861
	MCO	13	1,859
	RSW	10	1,526
	TPA	4	572
	144	22,928	
	ORD	137	9,803
	DEN	62	8,604
	EWR	69	3,496
	IAH	31	2,320
	IAD	31	1,576
	330	25,799	

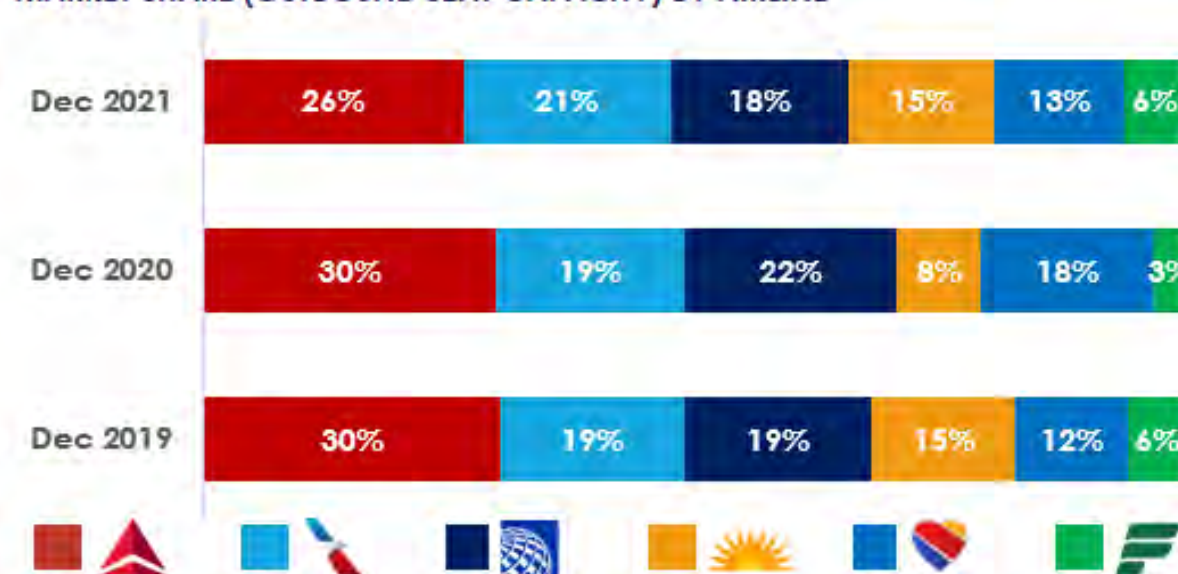
TOP 20 ORIGIN/DESTINATION MARKETS

2Q2021 passengers daily each way

Orlando (MCO)	250
Denver (DEN)	207
Orlando (SFB)	178
Las Vegas (LAS)	166
St. Petersburg (PIE)	139
Fort Myers (RSW)	133
Atlanta (ATL)	131
Phoenix (PHX)	98
Dallas (DFW)	98
Tampa (TPA)	83
Los Angeles (LAX)	81
Phoenix (AZA)	78
Sarasota (SRQ)	76
Minneapolis (MSP)	75
Punta Gorda (PGD)	71
Austin (AUS)	66
Nashville (BNA)	60
Boston (BOS)	55
Charlotte (CLT)	54
Seattle (SEA)	52

Green indicates nonstop service Dec 21

MARKET SHARE (OUTBOUND SEAT CAPACITY) BY AIRLINE

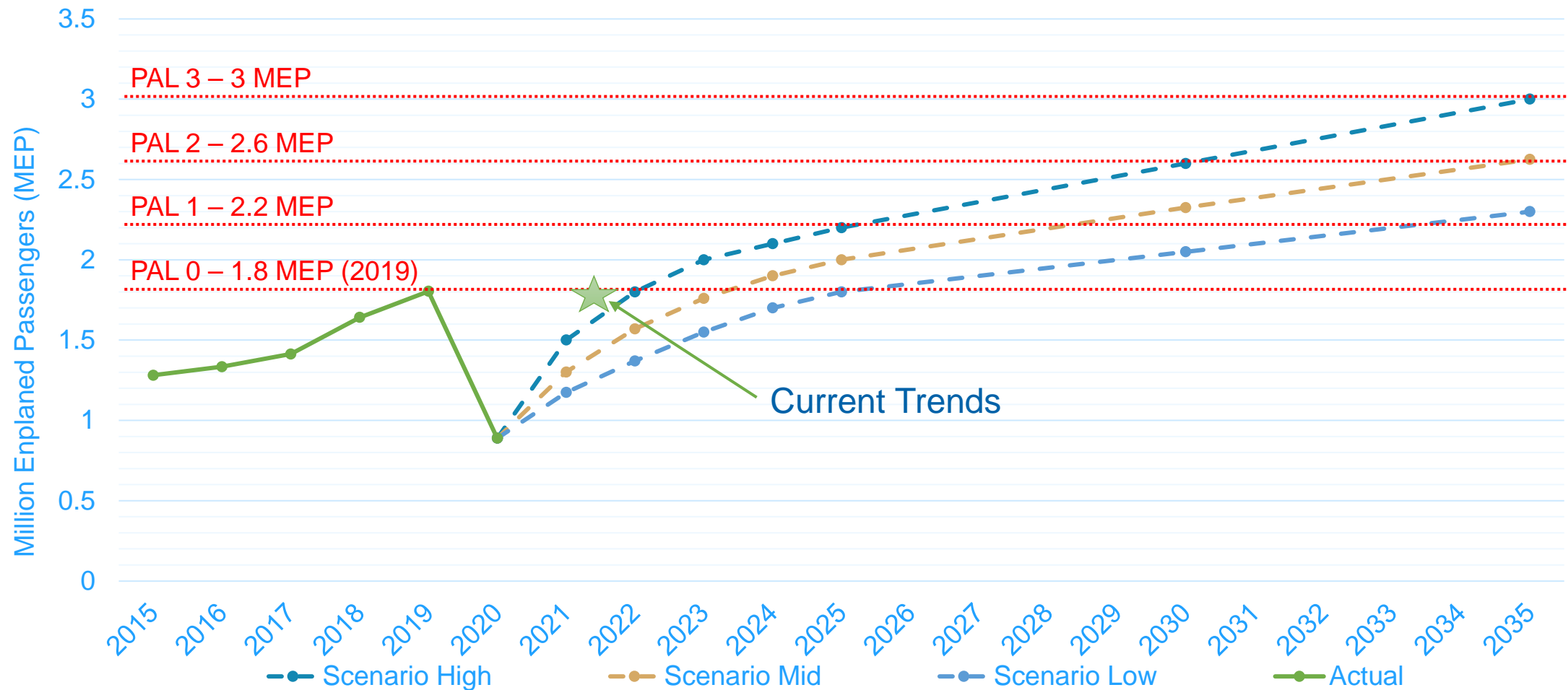


DOMESTIC AIR FARE BENCHMARKING

2Q2021 average round-trip net fare (excluding taxes and fees)



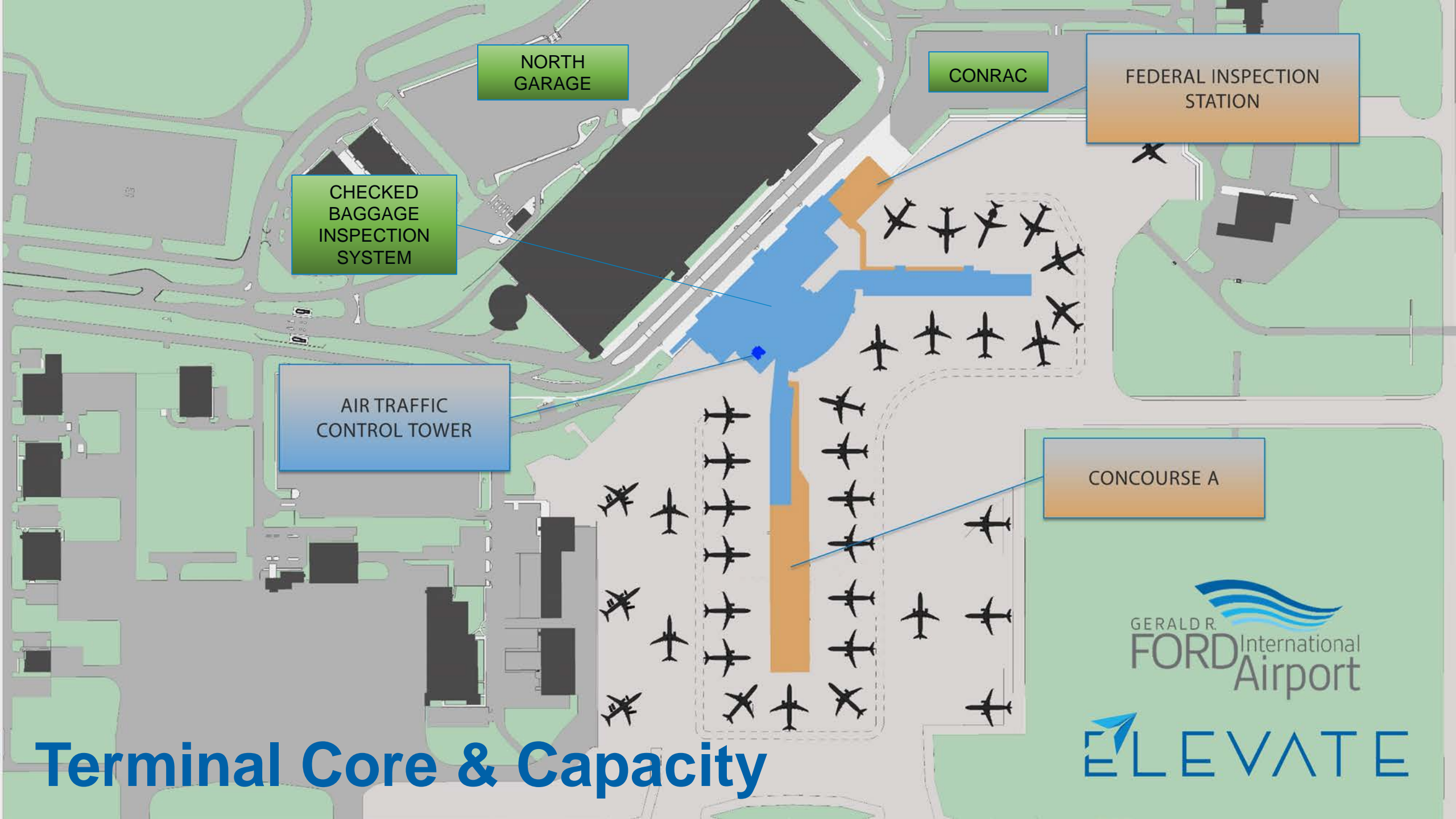
15 Year Recovery Forecast with Planning Activity Levels



Project Elevate!

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NORTH
GARAGE

CONRAC

FEDERAL INSPECTION
STATION

CHECKED
BAGGAGE
INSPECTION
SYSTEM

AIR TRAFFIC
CONTROL TOWER

CONCOURSE A

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Terminal Core & Capacity

ELEVATE Investment Summary

• Concourse A Expansion & Widening	\$112,000,000
• CONRAC	\$108,000,000
• Air Traffic Control Tower Relocation	\$ 59,200,000
• North Parking Structure	\$ 53,000,000
• Checked Baggage Inspection System	\$ 48,400,000
• Federal Inspection Station – Balance	<u>\$ 27,000,000</u>
TOTAL =	\$407,600,000

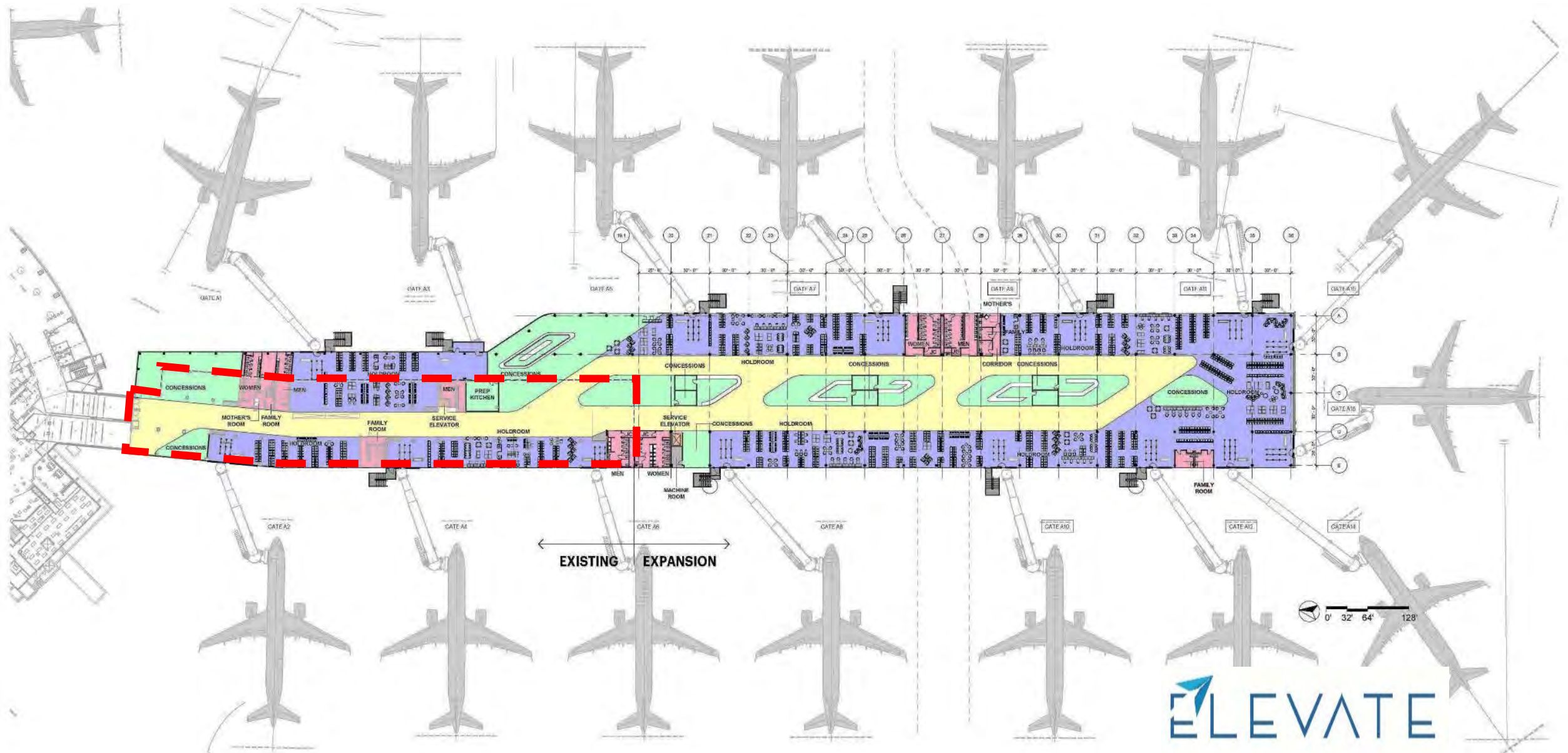
Terminal Core & Capacity

Concourse A

- Ground Breaking – December 2021
- November 2023 Completion
- 71,000+ SFT Concourse Expansion
- Total Investment Over \$100 M
- 125+ Construction Jobs
- Primary Funding – Passenger Facility Charge



Concourse A Expansion & Widening





GUIDING PRINCIPLES

COMMUNITY

Embrace and represent **West Michigan Culture**

PEOPLE

Create a space that is **uplifting, healthy and intuitive** for passengers and staff

BUSINESS

Provide amenities that give people **choice** and **maximize revenue** for Gerald R. Ford International Airport

PERFORMANCE

Build a concourse that is **efficient, long lasting and environmentally responsible**

FLEXIBILITY

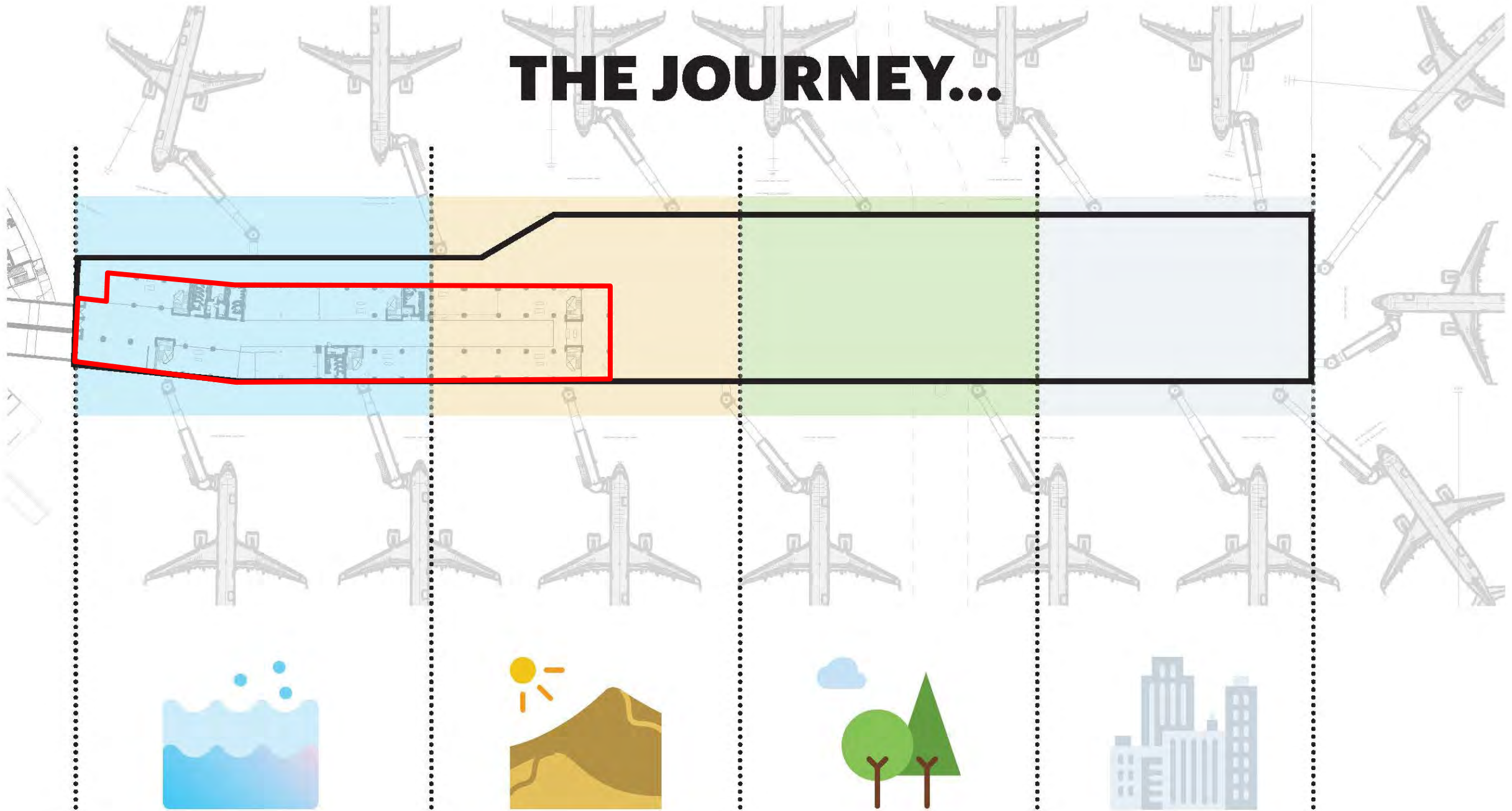
Allow for **future change and adaptation** of new technology and operations







THE JOURNEY...





A1





Existing Concessions Program

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Existing Program



ELEVATE

Guest Experience First!

Our Passion: Create an Exceptional Experience

Our Niche: Travel Made Easy

Three Uniques

1. We provide affordable air service to the world without having to drive to a major hub
2. We offer clean, modern facilities that are easy to navigate and accessible to all
3. We are economic catalysts for the future of West Michigan

Concessions Considerations

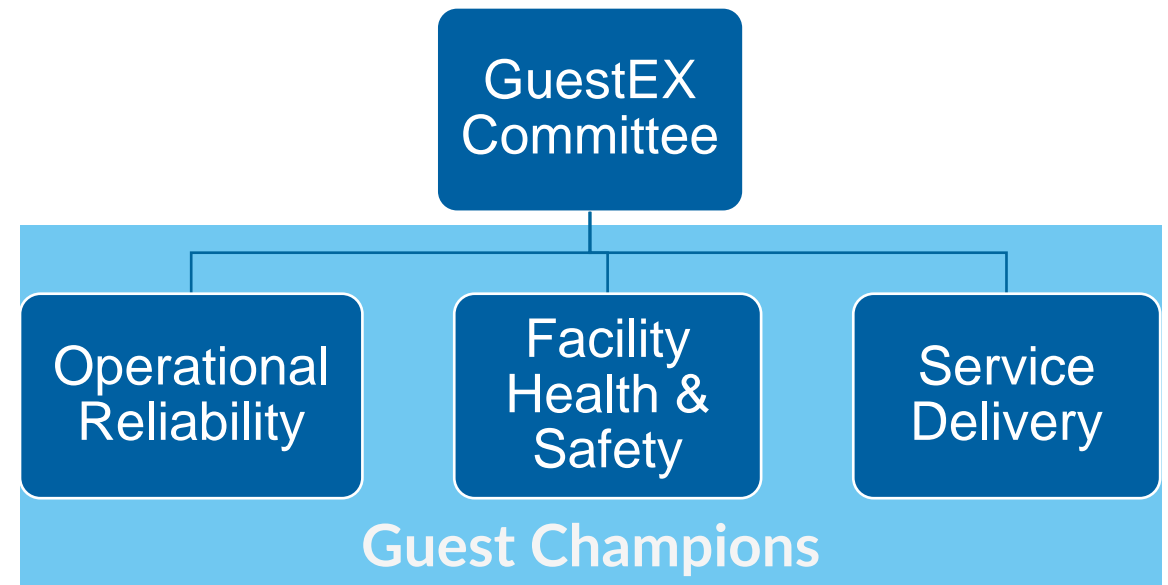
- Very Interested in Local FLAVOR – Food, Beverage, and Retail
- Sense of Place – including West Michigan brands

GuestEx/Guest Champions Committees

Ensuring Airport-wide engagement within the Guest Experience Program is of the utmost importance. To accomplish this goal, and to ensure regular rhythm to these efforts, key business partners and stakeholders (e.g., airlines, tenants, etc.) shall have the ability to participate in two committees:

GuestEX Committee – Meeting the third Thursday of every month, this committee is focused on providing all stakeholders and business partners with a forum to share guest experience-focused concerns and ideas. Additionally, attendees will be provided with an update from the Guest Champions Committee regarding projects that are currently underway.

Guest Champions Committee – Reporting directly to the GuestEX Committee, this volunteer-only small group meets the first Thursday of every month to deeply evaluate and discuss guest feedback as well as formulate, strategize, and deliver impactful projects. Working collaboratively, the group drives innovation and transparency through three domains: operational reliability, facility health & safety, and service delivery.



Community Messaging



Target Markets

Business
Travelers

Leisure
Travelers

Commercial
Developments

Air Cargo

Business Travelers

COMPANY NAME	EMPLOYEE COUNT	DESCRIPTION
Spectrum Health (HQ)	25,000	General Medical & Surgical Hospitals
Meijer (HQ)	10,340	Supermarket Retail & Distribution
Mercy Health (Kent & Muskegon)	8,500	General Medical and Surgical Hospitals
Gentex Corporation (HQ)	5,800	Computer/Electronic Manufacturing
Gordon Food Service (HQ)	5,000	Grocery and Related Products Merchant Wholesalers
Amway Corporation (HQ)	3,791	Consumer Goods Manufacturing
Herman Miller Inc. (HQ)	3,621	Office Furniture Manufacturing
Perrigo Company	3,500	Pharmaceutical Manufacturing
Steelcase Inc.(HQ)	3,500	Office Furniture Manufacturing
Farmers Insurance Group	3,500	Direct Property and Casualty Insurance Carrier
Grand Valley State University (HQ)	3,306	Higher Education
Lacks Enterprises, Inc. (HQ)	3,000	Plastic Manufacturing for Automobile Industry
Grand Rapids Public Schools (HQ)	2,800	Elementary and Secondary Schools
Arconic, Inc.	2,350	Metal Manufacturing
Hope Network	2,162	Non-Profit
Metro Health Hospital	2,100	General Medical and Surgical Hospitals
Roskam Baking Co.	2,090	Food Processing
Fifth Third Bank	2,062	Banking - Personal & Commercial
Haworth, Inc.	2,000	Furniture Manufacturing
SpartanNash (HQ)	2,000	Supermarket Retail & Distribution

Source: The Right Place, 2020

HAWORTH

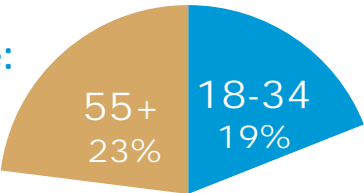


THE BUSINESS TRAVELER PROFILE

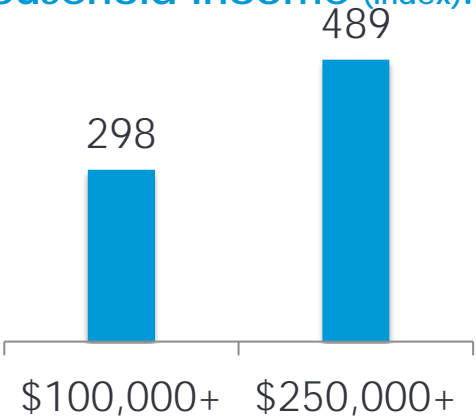
Overview:

- 3+ round trips for business per year
- Lives in the Grand Rapids DMA
- Departs from Gerald R. Ford Int'l
- Average number of trips per year: 7

Age:



Household Income (Index):



Lifestyle + Investments (Index):

POSTGRADUATE DEGREE:	193	529 PLAN / COLLEGE SAVINGS:	267
WHITE COLLAR OCCUPATION:	176	SECOND HOME / REAL ESTATE:	245
HOME MARKET VALUE \$1M+:	151	401K PLAN:	186

Consumer Purchase Intent:

PLANS TO PURCHASE IN THE NEXT 12 MONTHS	INDEX
New Home	260
Smart TV	245
Solar Panels	172



Source: Scarborough 2020; Base = Average U.S. Adult 18+, Index = 100

Future Concessions Program at GRR

Presented by ICF

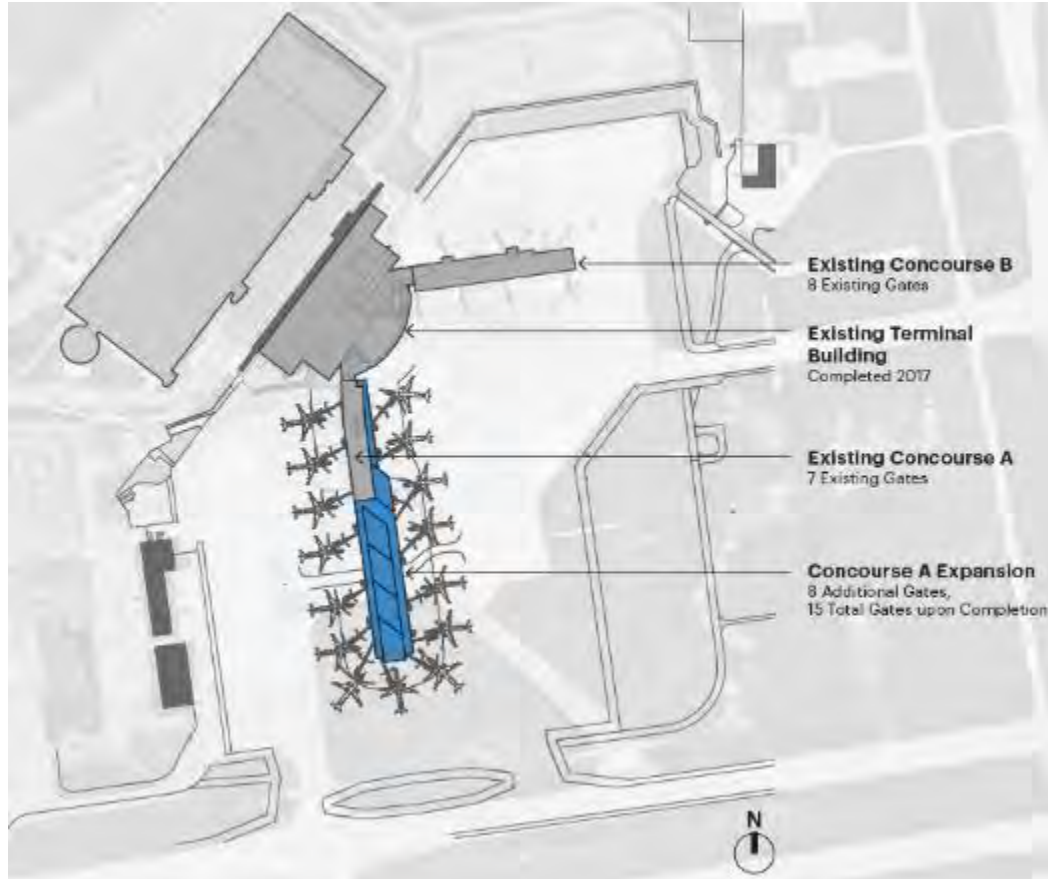
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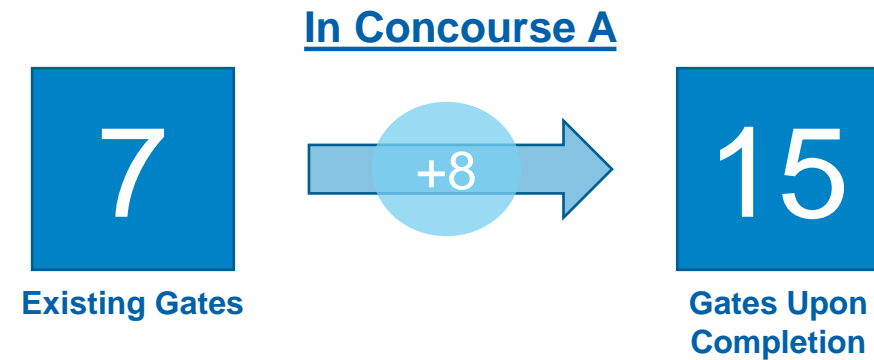
Agenda

- *GFIA Site Plan*
- *Key Business Terms & Conditions*
- *Transition Planning*
- *Available Opportunities*
- *Utilities*
- *Concept Narratives*
- *Design Manual*
- *Community Engagement*

GFIA Site Plan: Concourse A Expansion



- Southerly expansion of Concourse A *(in blue)*
- Adding 71,000 SF to existing Concourse A
- **EXTENSION & DEEPENING** of the current-short Concourse A



Key Business Terms & Conditions

Terms

- The concession will be for an operating term of ten (10) years for the food, beverage, and retail package offered under this solicitation.
- Operating term will commence January 1st of the FIRST full year following the completion of construction on the third phase of the concession program.
 - It ends 10 years after. See Section 3.1 (b) of the Agreement

Key Business Terms & Conditions

Minimum Annual Guarantee (MAG)

- At the end of each full calendar year following the commencement of the ten (10) year operating period, the Authority will compare the Percentage Rent paid by the Operator over the course of the calendar year to the Minimum Annual Guarantee.
- If the total Percentage Rent paid over such year is less than the MAG, then the Authority will invoice the Operator for the difference, which must be remitted within 15 days.




No MAG will be in effect until the first full calendar year following the completion of the third and final phase of construction and turn-over (anticipated start)

Transition Planning

Phasing of Concession Opportunities



- BOD reflects the anticipated completion of your fit and finish construction, including any final inspections or operational permits*
- Your BOD is no greater than 120 days after the space is turned over for your fit and finish work

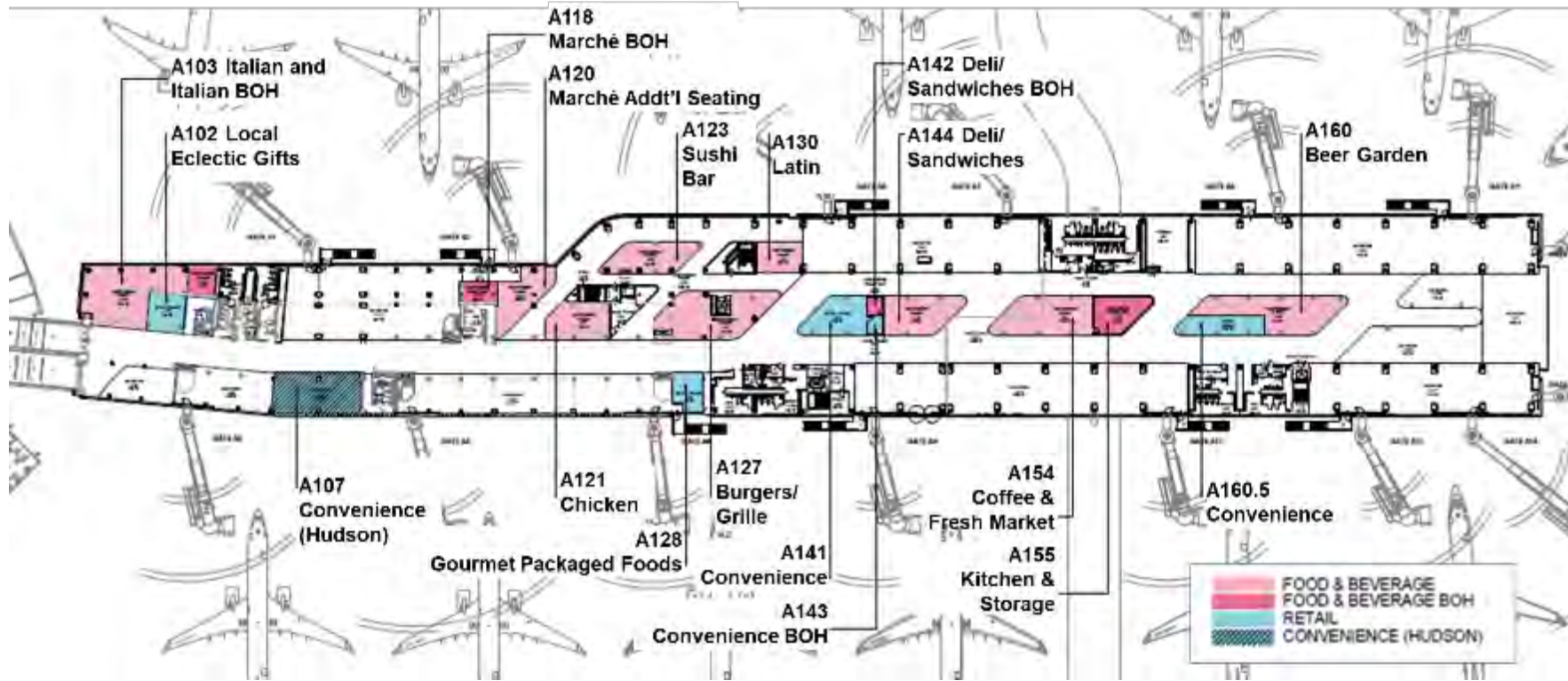
Phase	Estimated Commencement of 'Fit and Finish'	Beneficial Occupancy Date (BOD)
 1 st	December 2022	April 2023
 2 nd	July 2023	November 2023
 3 rd	September 2023	January 2024

* Subject to changes due to the fluid construction schedule.

Available Opportunity

Concourse A

Concourse A: Concourse Level



Space ID	Preferred Concept Type **	Square Feet
A102	Local Eclectic Gifts	544
A103/104	Italian & BOH	2,268
A118	Marché BOH	286
A120	Marché Additional Seating	898
A121	Chicken	862
A123	Sushi Bar	943
A127	Burgers/Grille	1,618
A128	Gourmet Packaged Foods	428
A130	Latin	552
A141/143	Convenience & BOH	932
A142/144	Deli/Sandwiches & BOH	1,145
A154	Coffee & Fresh Market	1,361
A155	Kitchen & Storage	658
A160	Beer Garden	1,543
A160.5	Convenience	633
B105 *	Wine Bar & Fresh Market	600
187B & 192 *	Dessert	1,242
TOTAL		16,513

* Not shown in drawing: B105 is in Concourse B; 187B/192 is located in the Central Marketplace.

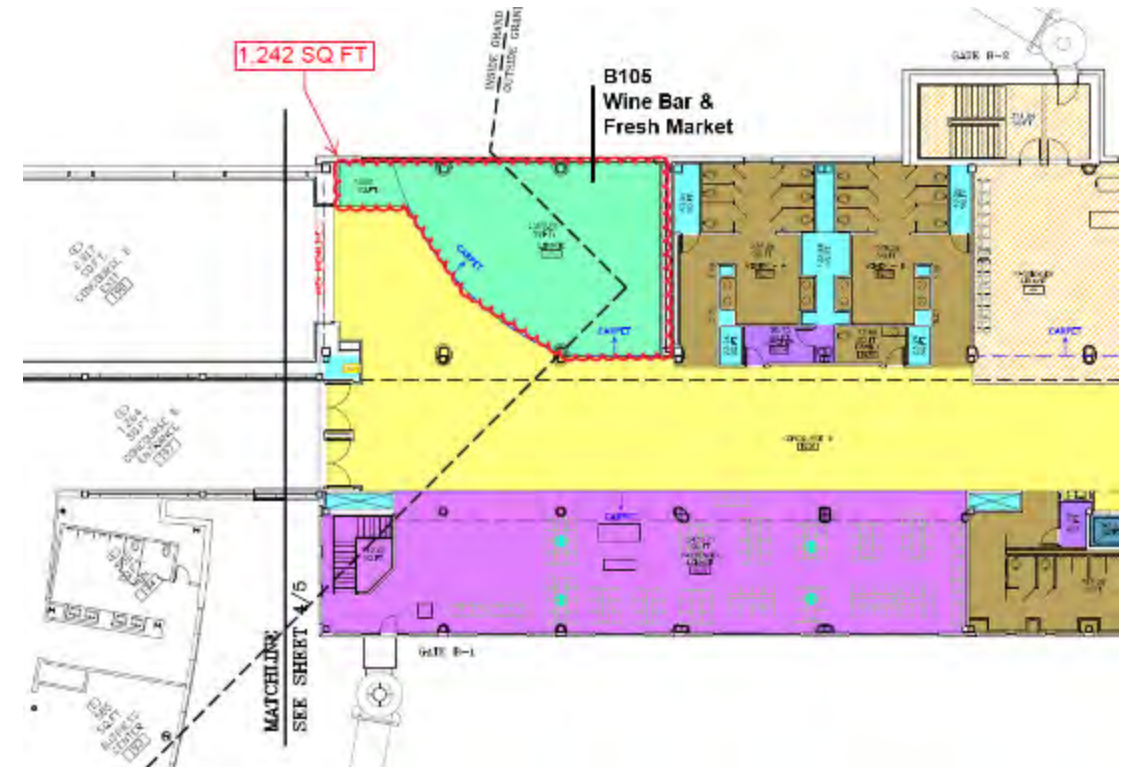
** There is flexibility to modify concepts, but please describe the rationale.

Available Opportunity Marketplace and CC-B

Central Marketplace



Concourse B: Concourse Level



Available Utilities

Gas, electricity, and domestic cold water will be provided by the base building throughout the concourses

Tenant may install the following:	Locations Available via Solicitation
Grease Drain, Grease Intercept, Grease Hood, Exhaust	Local Eclectic Gifts, Italian, Seating and BOH, Chicken, Latin, Burgers, Gourmet Packaged Foods, Wine Bar/Fresh Market
Same as above, <u>but it is NOT POSSIBLE to install a Grease Hood or Exhaust</u>	All Others



Concept Narratives Summary

Concession Type	Concept Type	Short Description
F&B	Italian	Specialty pizzas, gourmet, calzones, sausage rolls, pastas, and salads made fresh.
	Chicken	Freshly prepared poultry with an emphasis on quality and speed of service.
	Sushi Bar	Sushi bar-focused, which may include poke, noodle soups, bento boxes.
	Burgers/Grille	Burgers, hot dogs/sausages, and french fries served hot and fresh, never frozen.
	Latin	Quick serve that focuses on bowls, along with burritos and Tex-Mex.
	Deli/Sandwiches	Counter service, made-to-order and grab-and-go sandwiches/salads.
	Coffee & Fresh Market	Upscale specialty coffee/fresh-baked pastry/sandwich and salads.
	Beer Garden	Open-style bar with more gastro-pub-type nuances, featuring comfort foods and craveable menu options.
	Dessert	Sweet concoctions, healthy and indulgent frozen treats.
Retail	Wine Bar & Fresh Market	Offer wines (represent local vineyard) and small plates along with fresh grab n' go offerings
	Local Eclectic Gifts	Locally distinctive gift items (i.e., arts and crafts, memorabilia, etc.)
	Gourmet Packaged Foods	Offer high-quality packaged foods (often locally-made) that are meant as gifts. Gustatory memory of Western Michigan.
	Convenience	To fulfill customers' immediate needs / last-minute stops.



Design Manual

The Journey and Inspiration of West Michigan



*A tenant design criteria manual (TDCM) is being developed in consideration to this theme.
It will be provided to the winning bidder.*



THE JOURNEY



THE LAKE



THE DUNES



THE WOODS



THE CITY

Overview of Community Engagement

- Local outreach to be conducted to assist proposers in finding potential local partners
- Outreach to the local community, including the business community, local social organizations and/or special interest groups who take an interest in participation

RFP Process & Schedule



Selection Process

Table O-1: RFP and Proposal Important Dates

Milestone	Date/Times (EST)
RFP-Issuance Date	December 6, 2021
RFP Supplemented with Exhibit A	December 13, 2021
Pre-Submittal Meeting	December 16, 2021, 1:00 pm
Deadline for Clarification Requests	December 23, 2021, 5:00 pm
Responses to Clarification Requests issued	January 10, 2022
Proposal Due Date	March 10, 2022, 2:00 pm
Technical Proposal Public Opening	March 10, 2022, 4:00 pm
Oral Interviews and Presentations (If required)	March 29-30, 2022
Final Scoring Summary and Recommendation	April 8, 2022
Board Approval and Award	April/May 2022
Phased Planning Begins	June 2022

Questions?

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