

PORT ORDINANCE NO. 4498

ORDINANCE APPROVING THE EVALUATION COMMITTEES' RECOMMENDED AWARDEES FOR THE REQUEST FOR PROPOSALS FOR FOUR SEPARATE FOOD & BEVERAGE CONCESSION OPPORTUNITIES AT OAKLAND INTERNATIONAL AIRPORT COVERING SEVENTEEN UNITS TOTALING 27,400± SQUARE FEET IN TERMINALS 1 AND 2, AND APPROVE A SPACE/USE PERMIT FOR EACH OF THE FOLLOWING CONCESSIONAIRES: HFF OAK VENTURE, LLC, RYLO MANAGEMENT, LLC, SOARING FOOD GROUP, LLC AND SSP AMERICA OAK, LLC FOR TOTAL PROJECTED RENTAL REVENUE OF \$6.9 MILLION IN THE FIRST FULL YEAR OF OPERATIONS (CY 2020) FOR A TERM OF TEN YEARS AND ELEVEN MONTHS THROUGH DECEMBER 31, 2029.

**WHEREAS**, in May 2018, the Aviation Division released a Request for Proposals for Four Separate Food & Beverage Concession Opportunities covering all restaurant and bar locations in Terminals 1 and 2 at Oakland International Airport ("F&B RFP"); and

**WHEREAS**, a total of 19 proposals were received from twelve respondents for these four packages; and

**WHEREAS**, Port staff reviewed all proposals and deemed them responsive, and the proposals were then reviewed by Evaluation Committees and all respondents were offered the opportunity to present their proposals in presentations; and

**WHEREAS**, the Evaluation Committees scored the proposals based on specific criteria contained in the F&B RFP, ranked the proposals and have provided recommendations for consideration by the Board of Port Commissioners of the City of Oakland ("Board"); and

**WHEREAS**, the Board has reviewed and evaluated the Agenda Report for Agenda Item 3.1, dated October 11, 2018 (the "Agenda Report") and related agenda materials, has received the expert testimony of Port staff, and has provided opportunities for and taken public comment; now, therefore

**BE IT ORDAINED** by the Board of Port Commissioners of the City of Oakland as follows:

**Section 1.** In acting upon this matter, the Board has exercised its independent judgment based on substantial evidence in the record and adopts and relies upon the facts, data, analysis, and findings set forth in the Agenda Report and in related agenda materials and in testimony received.

**Section 2.** The Board hereby approves the Evaluation Committees' recommended awardees for the F&B RFP and approves the terms and conditions set forth in the Agenda Report for the Space/Use Permit with **SSP America OAK, LLC** (Package 1), **HFF Oak Venture, LLC** (Package 2), **Soaring Food Group, LLC** (Package 3) and **Rylo Management, LLC** (Package 4) to operate food and beverage concessions at Oakland International Airport for a term of ten years and eleven months commencing February 1, 2019 through December 31, 2029 at the minimum annual guarantee and percentage rent described in the Agenda Report.

**Section 3.** The Board hereby authorizes the Executive Director to execute the Space/Use Permits with each of **SSP America OAK, LLC**, **HFF Oak Venture, LLC**, **Soaring Food Group, LLC** and **Rylo Management, LLC**, and any other documents necessary for the four recommended awardees to commence development of the food and beverage concessions, subject to approval as to form and legality by the Port Attorney and subject to Board approval of required Port Permits prior to commencement of construction.

**Section 4.** The Board hereby authorizes the Executive Director to approve the possible assignment of the Space/Use Permit with **Soaring Food Group, LLC** to a new joint venture to be formed between **Soaring Food Group, LLC**, as managing partner with an ownership interest of a minimum of 51%, and Master ConcessionAir, as the minority owner and funding partner.

**Section 5.** The Board hereby authorizes the Director of Aviation to negotiate with **SSP America OAK, LLC** and **HFF Oak Venture, LLC** for any changes/alternatives to the proposed concepts and layouts for Unit Nos. T2-FB-C2-1 and T2-FB-C2-2, and authorizes the Director of Aviation to amend the Space/Use Permits to reflect such changes or alternatives, to delete the two units and/or adjust the Rent Commencement Date, after the design for the removal of the moving walkway has been completed and the viability of these two units can be evaluated.

**Section 6.** The Board hereby finds and determines that approval of the Evaluation Committees' recommended awardees is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 15301 "Existing Facilities" of the CEQA Guidelines which exempts the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

**Section 7.** This ordinance is not evidence of and does not create or constitute (a) a contract(s), or the grant of any right, entitlement or property interest, or (b) any obligation or liability on the part of the Board or any officer or employee of the Board. Unless and until a separate written contract is duly executed on behalf of the Board as authorized by this ordinance, is signed as approved as to form and legality by the Port Attorney, and is delivered to other contracting party, there shall be no valid or effective contract.

The Board of Port Commissioners, Oakland, California, October 11, 2018. Passed to print for one day by the following vote: Ayes: Commissioners Colbruno, Cluver, Hamlin, Martinez, Story and President Butner - 6. Noes: 0.

Daria Edgerly

Secretary of the Board