

BUILD **OMA**



Eppley Airfield
Concession Industry Day

February 29, 2024

Introductions

Omaha Airport Authority



Jason Snowden, Chief Commercial Officer



Steve McCoy, Chief Information and Development Officer



Nancy Wordekemper, Properties and Procurement Manager

Agenda

Eppley Airfield Background

Terminal Modernization Program Overview

Concession Program

Leasing Approach and Solicitation Information

Key Lease Terms

Questions

Eppley Airfield Background

Supporting the OMA Mission, Vision, & Values

Mission

To provide **premier customer service** and **airport facilities** through
operational excellence

Vision

To be the Best Airport in the Midwest

Values

Cleanliness

Convenience

Customer Service

Efficiency

Employee Development

Operational Excellence

Professionalism

Safety

Security



Eppley Airfield

Medium-Hub Airport in Omaha, Nebraska

4

Miles from
Downtown
Omaha

5

Million
Passengers
Served in 2023

8

Air Carriers

31

Non-Stop
Destinations

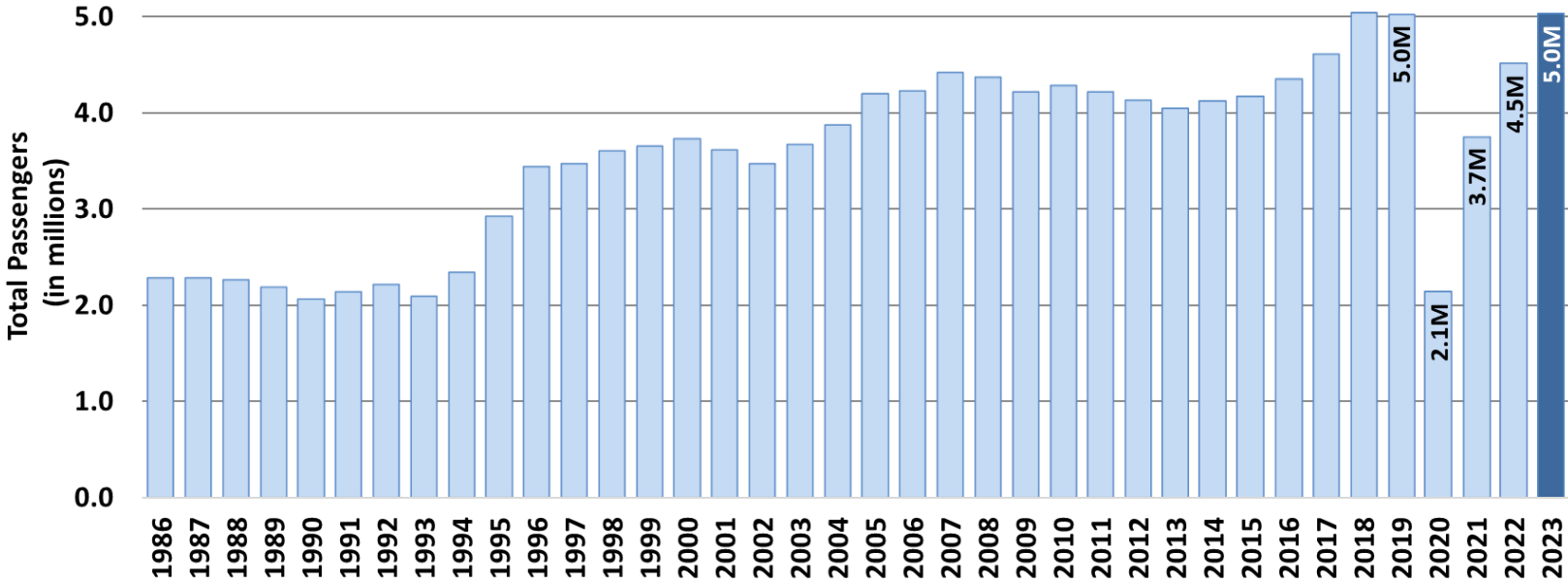
70

Daily
Departures



BUILD **OMA**

Eppley Airfield Total Passengers



Eppley Airfield

Existing Concession Program



2023 Program Statistics

Passengers 5.0 million

Program Size 33,100 sq. ft.

Pre-Security 25,800 sq. ft.

Post-Security 7,400 sq. ft.

Total Sales \$21.2 million

Food Service \$13.5 million

Retail \$7.7 million

Sales per Enplaned Passenger

Food Service \$5.41

Retail \$3.06



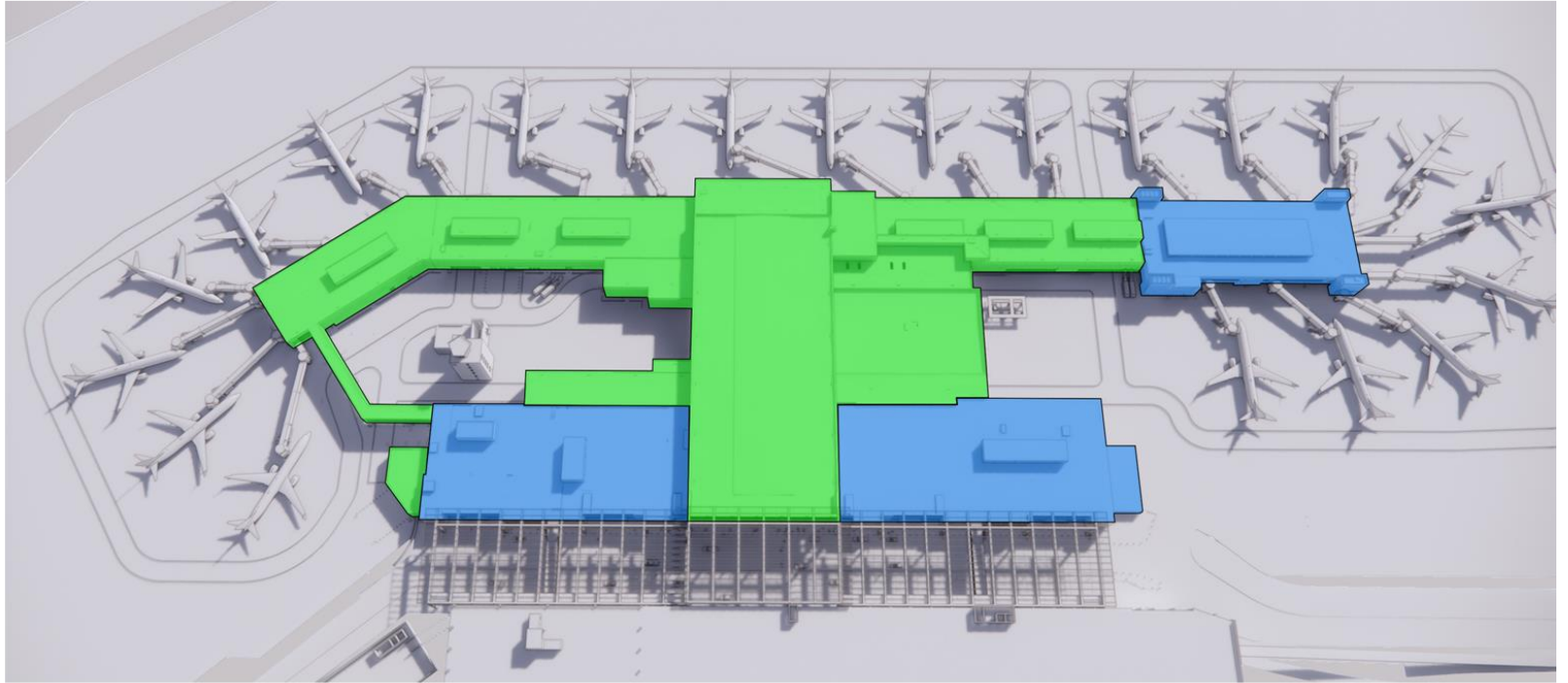
Terminal Modernization Program (TMP)



Existing Eppley Airfield Terminal

- Served over five million passengers in 2023
- Security checkpoint located at entrance to each concourse
- Ten gates per concourse
- Domestic flights only
- 33,100 square feet of concession space
- Majority of concession space is located pre-security



TMP Overview



-  Terminal Renovation
-  Terminal Expansion

Future Eppley Airfield Terminal

- TMP Budget: **\$950m**
- Planned to support **over six million total annual passengers**
- One **centralized security checkpoint**
- One contiguous concourse
- 22 gates
- **32,000 square feet** of concession space
- Majority of concession space is post-security
- **International flight capability**
- Construction beginning in 2024



Concession operations will continue throughout the multi-year modernization program to ensure a level of service is maintained for passengers.

TMP Groundbreaking

February 20, 2024



The Omaha Airport Authority celebrated the groundbreaking of the Terminal Modernization Project with the **Authority Board**, the **Omaha Mayor**, the **Nebraska Governor**, **U.S. Senators**, **U.S. Representatives**, and members of the Design and Construction Team.



End-to-End Terminal Modernization

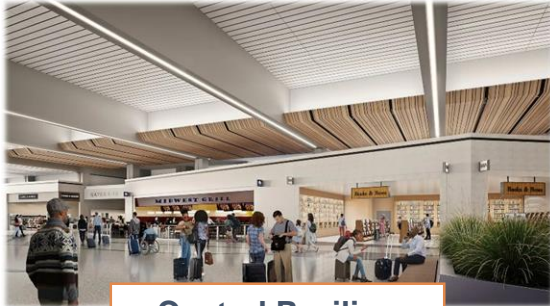
Entryway



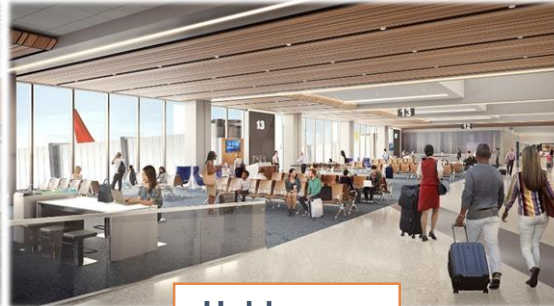
Checkpoint



Restrooms



Central Pavilion



Holdrooms



International Arrivals



Concession Program



Concession Program

Goals

- Concept variety and quality that reflect modern Omaha
- Attractive, complementary designs
- Competitive pricing
- Success for business partners
- Continuous service throughout transition
- Excellent customer service
- Customer-focused operating hours



Concession Concepts

Food Service Concepts

- Casual Dining Restaurant
- Bars with Food
- Fast Casual Restaurant with Bar
- Gourmet Coffee
- Gourmet Market with Deli and Bar
- Quick Service
 - Deli
 - Asian
 - Chicken
 - Burger

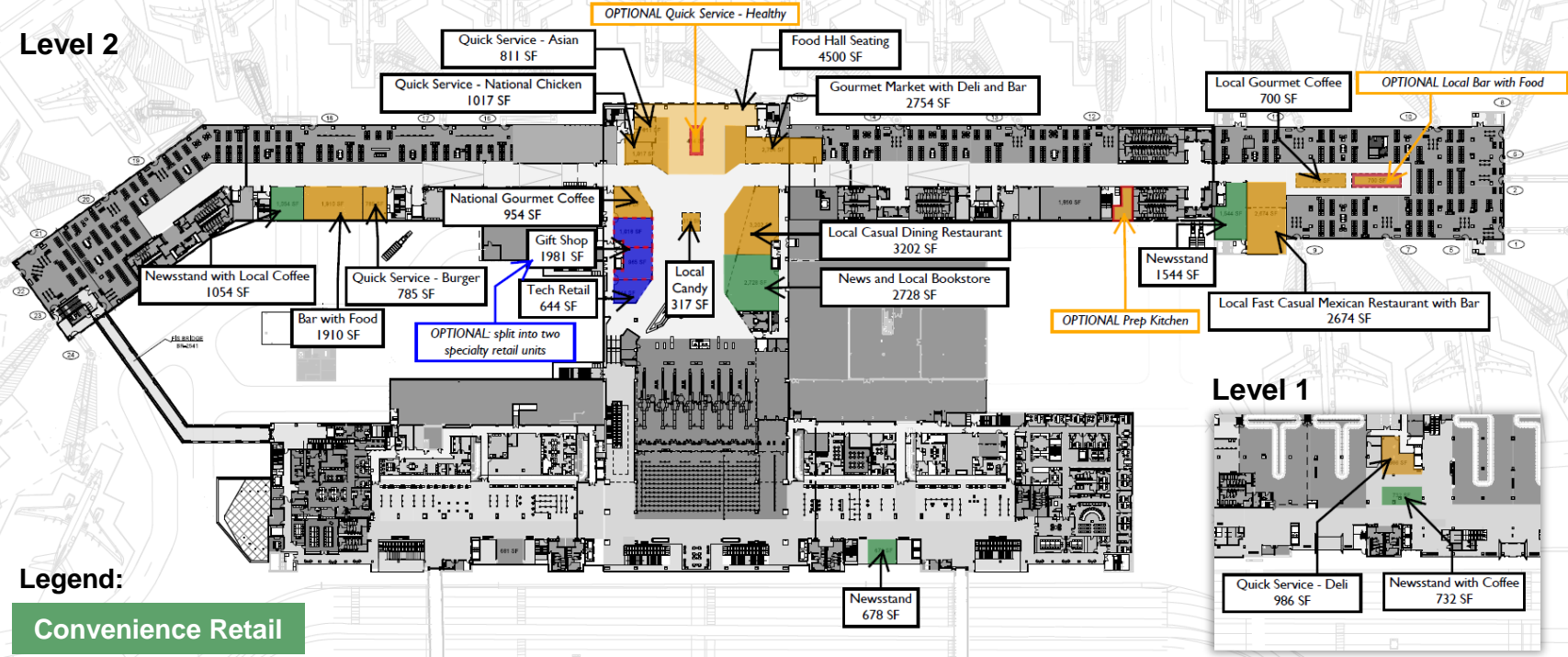
Retail Concepts

- Specialty Retail
 - Candy
 - Gift Shop
 - Tech Retail
- Convenience Retail
 - Newsstand
 - News and Bookstore
 - Newsstand with Coffee

Concession Concept Plan

Food Service and Retail

Level 2



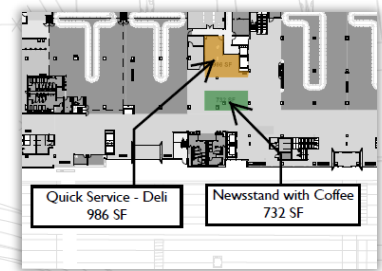
Legend:

Convenience Retail

Food Service

Specialty Retail

Level 1



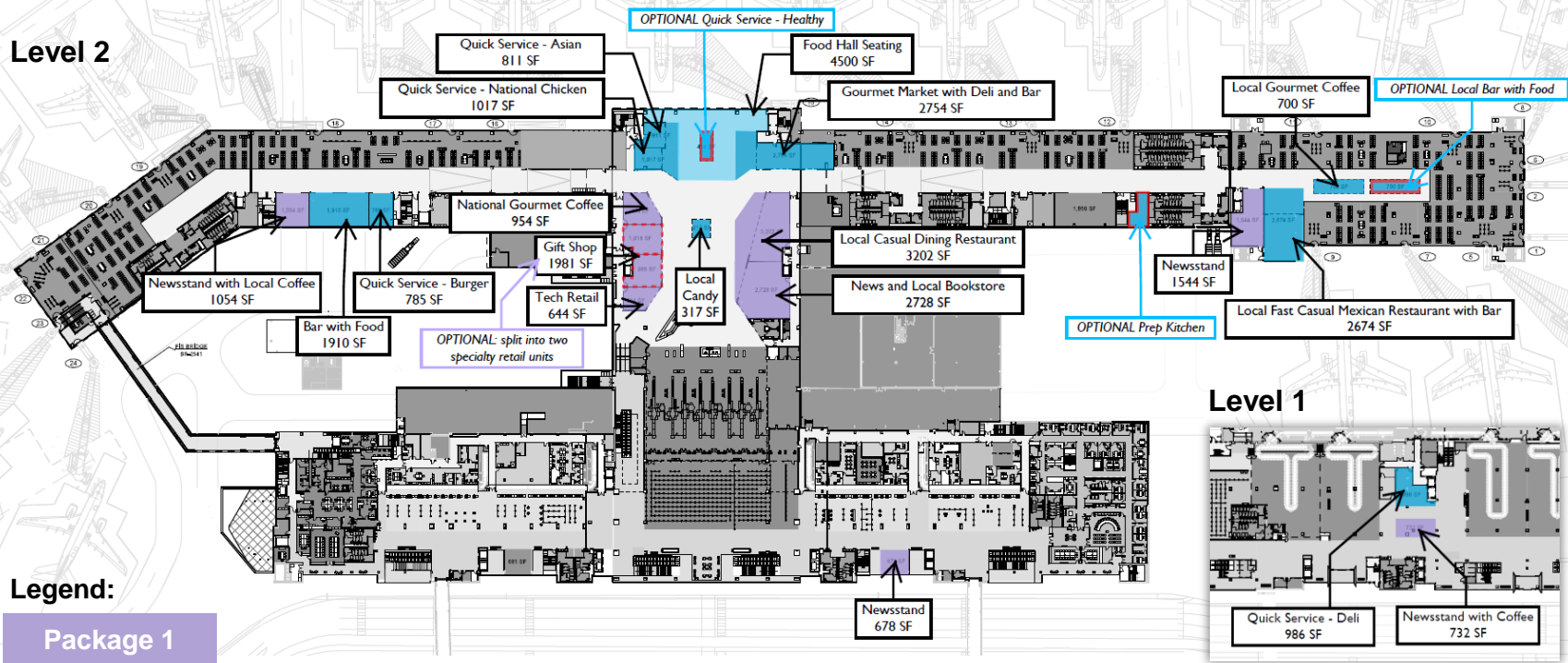
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Plan is subject to change prior to the solicitation at the discretion of the Authority.

Concession Packaging Plan

Food Service and Retail

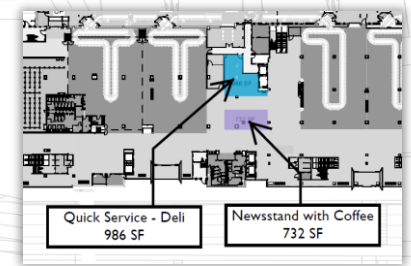
Level 2



Legend:

- Package 1
- Package 2
- Optional

Level 1



Plan is subject to change prior to the solicitation at the discretion of the Authority.

Food Service and Retail Packages

DRAFT

Package 1 – Hybrid

Operation	Concept	Location	Sq. Ft.
New	Newsstand with Coffee	Pre-Security	732
New	Newsstand	Pre-Security	678
New	Tech Retail	Central Pavilion	644
New	Gift Shop	Central Pavilion	1,981 ¹
New	Gourmet Coffee	Central Pavilion	954
New	Local Casual Dining Restaurant	Central Pavilion	3,202
New	News and Bookstore	Central Pavilion	2,728
New	Newsstand with Local Coffee	North Concourse	1,054
New	Newsstand	South Concourse	1,544
New	<i>Optional Specialty Retail</i>	<i>Central Pavilion</i>	<i>965¹</i>
Interim	Newsstand and Vending	Pre-Security (South)	497
Interim	Newsstand	South Concourse	426
Interim	Newsstand	North Concourse	569

- 1) Proposers will have the option to propose one large gift shop or two specialty retail locations – a gift shop and an “open” concept – for this space (total square footage is 1,981).

Vending will be included in one of the packages.

Package 2 – Food Service

Operation	Concept	Location	Sq. Ft.
New	Quick Service – Deli	Pre-Security	986
New	Candy	Central Pavilion	317
New	Gourmet Market with Bar & Deli	Central Pavilion	2,754
New	Food Hall Seating	Central Pavilion	4,500
New	Quick Service – Chicken	Central Pavilion	1,017
New	Quick Service – Asian	Central Pavilion	811
New	Quick Service – Burger	North Concourse	785
New	Bar with Food	North Concourse	1,910
New	Fast Casual Mexican with Bar	South Concourse	2,674
New	Local Coffee	South Concourse	700
New	<i>Optional Quick Service – Healthy</i>	<i>Central Pavilion</i>	<i>414</i>
New	<i>Optional Local Bar with Food</i>	<i>South Concourse</i>	<i>700</i>
Interim	Grab-and-Go with Coffee	Pre-Security (North)	661
Interim	Food Service Seating	Pre-Security (North)	TBD
Interim	Bar with Food, Grab-and-Go, and Coffee	North Concourse	3,758
Interim	Grab-and-Go with Coffee	Pre-Security (South)	650
Interim	Food Service Seating and Support	Pre-Security (South)	TBD
Interim	Bar with Food, Grab-and-Go, and Coffee	South Concourse	2,684
Interim	Mobile Kitchen and Storage	North/South Ramp	2,400

Opportunities for Involvement

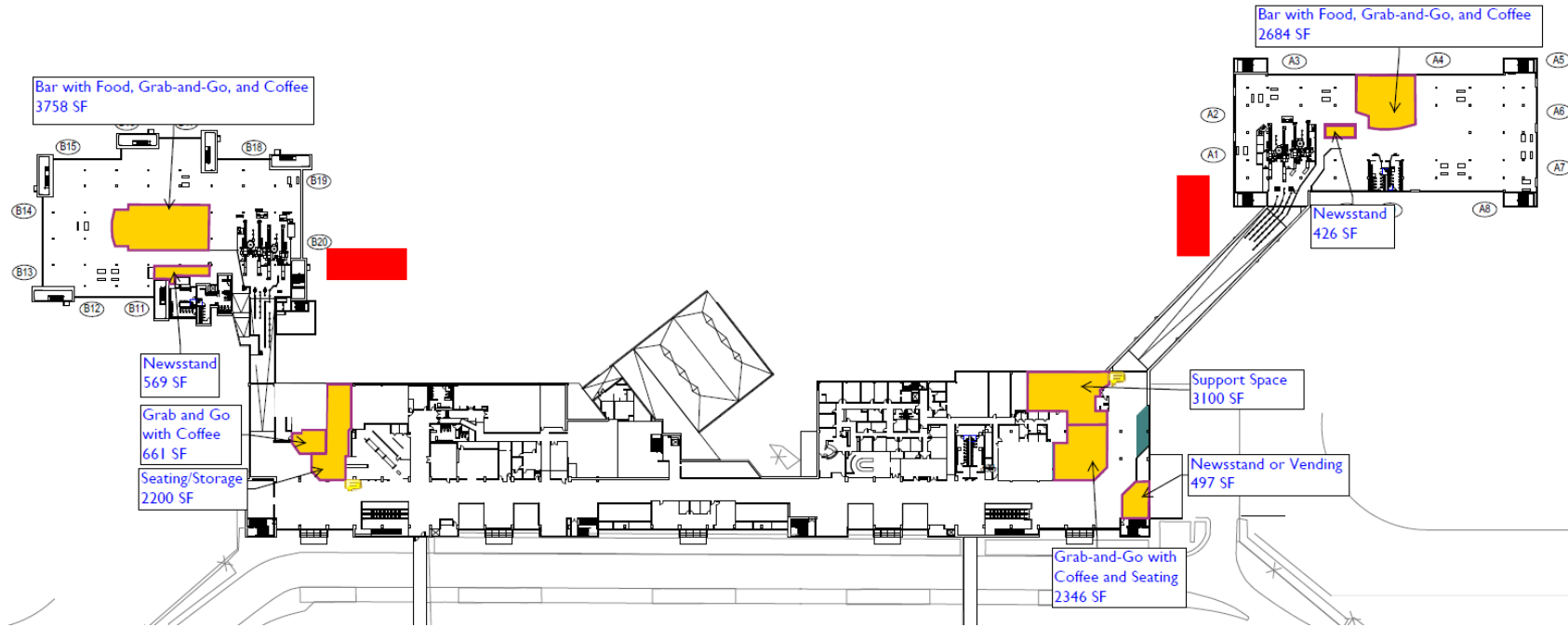
- Prime concessionaire
- Subconcessionaire
- Joint venture
- Brand partner (license or franchise concept)
- Supplier
- Designer
- Contractor
- **No exclusive subconcessionaire, ACDBE, or local business agreements**

Interim Operations

- Terminal Modernization Program (TMP) construction begins in 2024
- Existing concession program leases expire December 31, 2024
- Interim operations are required to maintain concession service for passengers beginning **January 1, 2025 through Q1 2027**¹
 - Interim operations will continue until existing spaces are impacted by construction
 - Airfield space has been allocated for mobile kitchen and storage facilities to minimize disruption to interim operations during construction
 - Minimum investment amounts have not been specified for interim concessions, but quality and service standards must be maintained

1) Interim operation dates are subject to change as construction progresses

Interim Concession Plan



Legend:

Interim Concession

Mobile Kitchen and
Storage Space



Plan is subject to change prior to the RFP solicitation at the discretion of the Authority.

Leasing Approach and Solicitation Information

Leasing Approach

- Concession opportunities are competitively solicited through a **Request for Proposals (RFP) process**
- Omaha Airport Authority **encourages participation from local businesses**
- Airport Concessions Disadvantaged Business Enterprise (ACDBE) goals have been set in accordance with FAA guidelines at **13.6%**
- Concession leases are not binding until approved and signed by the Authority
- Proposals must include **all units** in a package to be considered responsive

Target Solicitation Schedule



A majority of the new concession program is projected to open in March 2027.

Outreach and Interest from Local Community

- The Authority is seeking **meaningful, local participation** in the concepts proposed for Eppley Airfield and the purchase of food service products and supplies
- Engaging local businesses is essential to successfully meeting the stated goal for a **concession program reflecting modern Omaha**
- **Local businesses have expressed interest** in participating in the new program at Eppley Airfield. To facilitate and encourage inclusion, contact information for these businesses will be provided.



ACDBE Participation

Airport Concessions Disadvantaged Business Enterprise (ACDBE)

- The ACDBE program was developed by the Department of Transportation (DOT) to level the playing field for small businesses wishing to participate in airport concession contracting opportunities
- The goal for food service and retail concessions within the scope of this solicitation is **13.6 percent**, as measured by total estimated annual gross receipts
- ACDBE goals can be met through leases, subleases, joint ventures, or other legal arrangements that meet the eligibility requirements in 49 CFR Part 23, Subpart C
- **ACDBE proposers must be certified in the state of Nebraska by the Notice of Award date**

ACDBE Certification References

ACDBE Certification is administered through the Nebraska Unified Certification Program (NUCP) under the control of the Nebraska Department of Transportation (NDOT)

<https://dot.nebraska.gov/business-center/civil-rights/>

Information can also be found on the Omaha Airport Authority website, including a list of currently-certified businesses:

<https://www.flyoma.com/omaha-airport-authority/dbe-acdbe/>

Solicitation Protocol

- All correspondence with the Authority, including Proposals in response to the RFP, will become public records under the Nebraska Public Records Act
- The Authority will not disclose any part of any Proposal prior to award recommendation
- **Prior to RFP**
 - Questions may be submitted to the Authority
 - There is no limitation on discussion between interested parties
- **After RFP Issuance – Communication Protocol**
 - Prospective proposers are not to discuss the RFP with any Authority employee, Board member, or anyone associated with an Authority employee or Board member
 - Questions or concerns may only be addressed to the Procurement Contact assigned to this RFP
 - Any violation of the communication protocol will void concessionaire's Proposal



Key Lease Terms

Minimum Qualifications

- **Minimum of three-years** of successful and relevant experience **in the last six years** in the ownership, marketing, development, operation, and management of multiple restaurants or retail locations in a shopping center, airport, transportation center, mall, street location, or other prominent commercial setting appropriate for each concession package as follows:
 - \$7.0 million cumulative retail sales (Package 1)
 - \$10.0 million cumulative food service sales (Package 2)
 - Proposing business(es) must be in good standing with the Authority
-
- **Corporate Subsidiary:** Parent company must meet minimum qualifications
 - **Partnership/Joint Venture:** Single partner owning 51 percent or more of the partnership/joint venture responsible for concession operations must meet minimum qualifications and experience requirements
 - **Subconcessionaire:** Minimum of three years of successful and relevant experience within the last six years operating a business of a similar size and scope to the concept for which they are being proposed to operate at the Airport in terms of square footage and sales volume

Lease Term

- Lease Commencement Date: **January 1, 2025**
- Interim Operations: **January 1, 2025 through Q1 2027¹**
- Lease Expiration: **2042** (specific date to be determined)

1) A majority of permanent concession locations are expected to open during Q1 2027 based on the TMP construction schedule. These dates are subject to change as construction progresses.



Capital Investment

Minimum Initial Investment

Food Service

\$600 per sq. ft.

Retail

\$500 per sq. ft.

Common Seating Areas

\$200 per sq. ft.

Vending

\$100 per sq. ft.

Does not apply to interim concepts.

Leasehold Improvements

- Selected Proposers are responsible for the **design and complete build-out of concession units** in compliance with minimum initial investment requirements and Tenant Design Guidelines
- The **Authority will provide shell conditions**, including framed demising walls, as appropriate, between public areas and the Leased Premises, concrete slab flooring, unfinished ceiling (as needed), and appropriate utility access to all permanent concession locations
- A **minimum of 15 percent of the Initial Investment Amount** will be required for refurbishments between the 6th and 7th Calendar Years after the Date of Beneficial Occupancy

Rent Structure

Concessionaire will pay to the Authority the greater of the following on a monthly basis:

- **Minimum Annual Guarantee (MAG):** the minimum amount of rent that will be paid annually
 - MAG will be set by the Authority for each concession package for the Third Calendar Year of the Lease Agreement beginning January 1, 2027
 - For the fourth and subsequent Calendar Years of the Lease, the MAG will equal 85 percent of the actual rent due and payable for the previous Calendar Year
 - The MAG will never be less than the original amount set by the Authority
- **Percentage Rent:** rent based on a percentage of Gross Receipts
 - Percentage Rent will be proposed
 - Proposers may propose a tiered rent structure that increases with sales volume for both interim and permanent units
 - The Authority expects reasonable offers and is under no obligation to accept the highest financial offer proposed

Pricing Policy

Street Plus 10%

- **Street Plus 10%:** Concessionaires may charge the same prices or prices that are up to ten percent (10%) above the average price for the same or comparable products sold in comparable locations
- The Authority Pricing Policy applies to all concessionaires and is intended to promote high customer service and support a reasonable financial return
- **“Street Price”** – the price charged for an equivalent item at comparable business locations in the Omaha-Council Bluffs, NE-IA Metropolitan Statistical Area
- To determine fair, reasonable, and comparable prices, Concessionaires must conduct a price comparison and submit prices for approval
- All product pricing must be displayed, including pour sizes and prices for beer and wine



DELICIOUS FOOD MENU	
APPETIZER	
Mushroom Burger	\$10.00
Crispy Fried Chicken	\$10.00
Fish & Chips	\$10.00
Spaghetti & Meatballs	\$10.00
Hotdog Sandwich	\$10.00
SALAD & SOUP	
Macaroni Soup	\$3.99
Tex Mex Chili	\$3.99
French Fries	\$4.50
Calamari	\$6.00
Beef Taco	\$7.50
DRINKS	
Purified Water	\$3.99
Sparkling Water	\$3.99
Soda In A Bottle	\$4.50
Orange Juice	\$6.00
Fresh Lemonade	\$7.50



LIQUEURS	
AMERICAN WHISKY	\$12.00
COGNAC	\$12.00
VANILLA	\$12.00
FRUIT FLAVORED	\$12.00
TEQUILA	\$12.00
TRIPLE SEC	\$12.00
BEER & ALCOPOPS	
LAGER	\$4.50
IPA	\$4.50
WHEAT BEER	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
IMPORTED BEER'S	
LAGER	\$4.50
IPA	\$4.50
WHEAT BEER	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
TRIPLE HONEY	\$4.50
AERATED DRINKS & JUICES	
COCA-COLA	\$4.50
PEPSI	\$4.50
ORANGE JUICE	\$6.00
APPLE JUICE	\$6.00
LEMONADE	\$7.50
FRUIT FLAVORED	\$7.50
TRIPLE HONEY	\$7.50

Airport Concession Operations



- **Open 365 days per year**
- Minimum Hours of Operation: 4:00 a.m. or 5:00 a.m. to 8:00 p.m.
 - Hours must adjust to accommodate flight delays
- Accommodating passenger/customer flows
- Potentially higher operational costs
- Security regulations and employee background checks
 - All airside employees pass through security checkpoint
- Typically higher productivity

Why Eppley Airfield?



1 Service

Great opportunity to serve the traveling public

2 Outreach

Extend your business' reach to the local and national community

3 Environment

Operate in a vibrant and dynamic environment

Become part of the OMA Community!

Questions?

Thank you for participating!

For additional information or questions, email:
ConcessionsRFP@FlyOMA.com