

# PDX Concessions Program Update 2016 Request for Proposals (RFP) Results

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**PDX COMMUNITY ADVISORY COMMITTEE**

CHARTING A COURSE FOR PDX

# Award Winning Airport & Concessions Program

- **JD Power**
  - Best Large Airport in North America - 2015
- **Travel & Leisure**
  - Best Overall US Airport – 2013, 2014 & 2015 – Airports Council International
- **Airports Council International**
  - Best ‘Green’ Concessions Practice or Concept – 2013
- **Conde Nast Traveler**
  - Best U.S. Airport – 2006, 2007, 2008, & 2010
- **Airport Revenue News**
  - Best Concessions Management Team – 2001, 2002, 2012
  - Airport With The Best Overall Program – 2001, 2002
  - Airport With The Most Innovative Services – 2003, 2004
  - Airport With The Best Redeveloped Program – 2002
  - Airport With The Best Concessions Program Design – 2002, 2003, 2004
  - Airport With The Best Concessions Customer Service – 2008

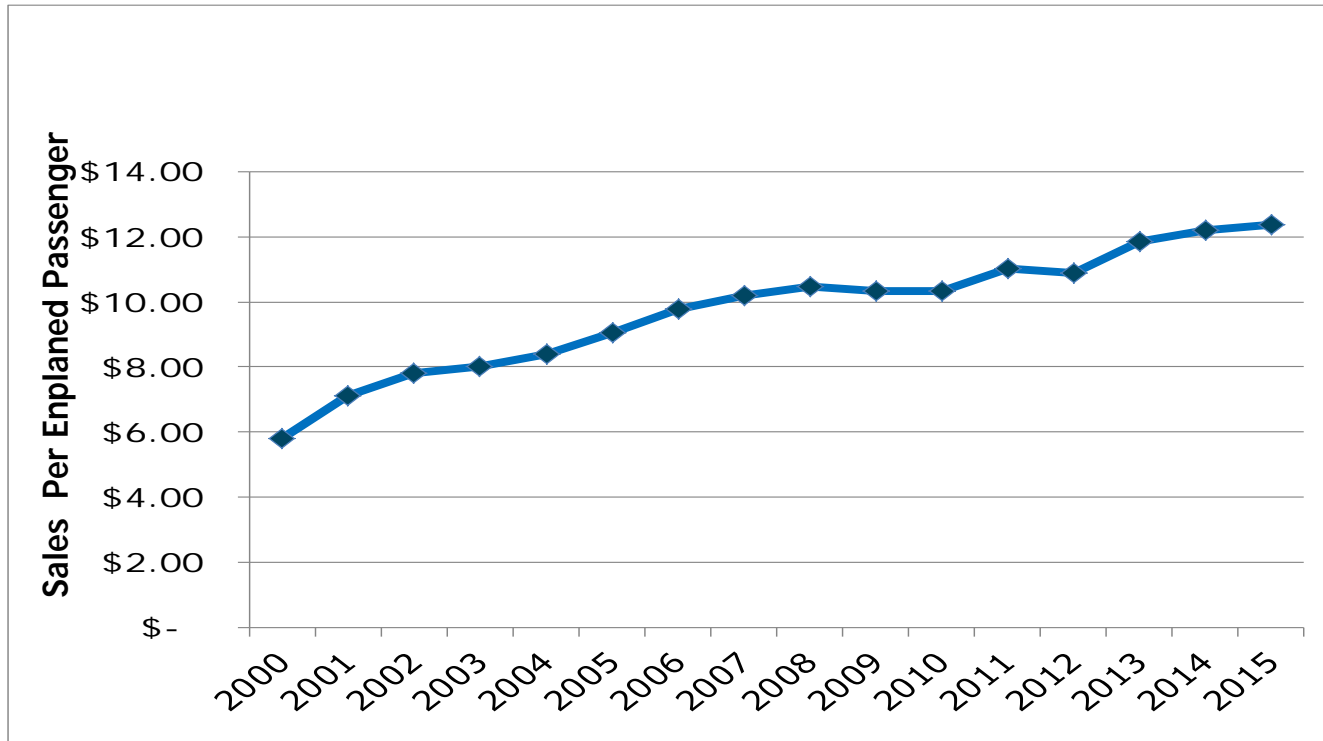


## PDX Concessions Program

- **Why are Concessions Important**
  - Serve our Customers
  - Keep Airline Costs Competitive
  - Provides Employment and Business Opportunities for the Community
- **The PDX Model is Unique**
  - Direct Leasing Model
  - True Street Pricing
  - Local Brands



# Concessions Program Performance



Sales Per Enplaned Passenger Up 113% from \$5.80 to \$12.37





# Opportunity

- Lease Expirations & Overall View of Program
- 75% of Program Expiring
- Three Phases
  - Phase I (2014)
  - Phase II (2015/2016)
  - Phase III (2017/2018)
- Goals



## Specialty Coffee

- Expand Offering to Meet Demand
  - 10 Locations to 12 Locations
- Provide More Variety of Brands
  - 2 Brands to 4 Brands
- Expand Local/Regional Brand Presence
- 4 Coffee Packages of 3 Locations Each
  - All Brands on Both North and South Sides of Airport



## Phase II Lease Expirations

### **Concourse A**

Starbucks

### **Concourse B**

Coffee People

### **South Lobby & Concourse C**

Starbucks SL

Soundbalance

Made in Oregon

Starbucks C-East

Sandoval's Tequila Grill

Coffee People

### **Concourse D**

Starbucks

Made in Oregon

### **North Lobby & Concourse E**

Coffee People NL

Coffee People E

### **Oregon Market**

Coffee People

### **Bag Claim**

Starbucks



# Phase II Locations





## Solicitation Process

- Outreach & PDX Informational Meeting
- Request for Qualifications (RFQ) Issued
- Request for Proposals (RFP) Issued
- Proposal Reviews
- Selection Committee Recommendation
- Commission Approval



## RFP Results

- 37 Proposals
  - Mix of Local, Regional & National Businesses
  - Existing and New Concessionaires
  
- Some Locations in RFP Will Not Be Awarded
  - Future Opportunities



## Selection Committee Review

- 7 Committee Members
  - Port Employees & External Business Partners
- Evaluation Criteria

Category	Weight
PDX Quality Employer Plan	25%
Proposed Concept, Menu/Product, Street Pricing & Customer Service Plan	20%
Business Plan, Sustainable Practices & Quality Control	15%
Concept, Design and Execution	15%
Financial Statement/Capability & Pro-forma	15%
Airport Disadvantaged Business Enterprise Program Participation	10%
<b>Total</b>	<b>100%</b>

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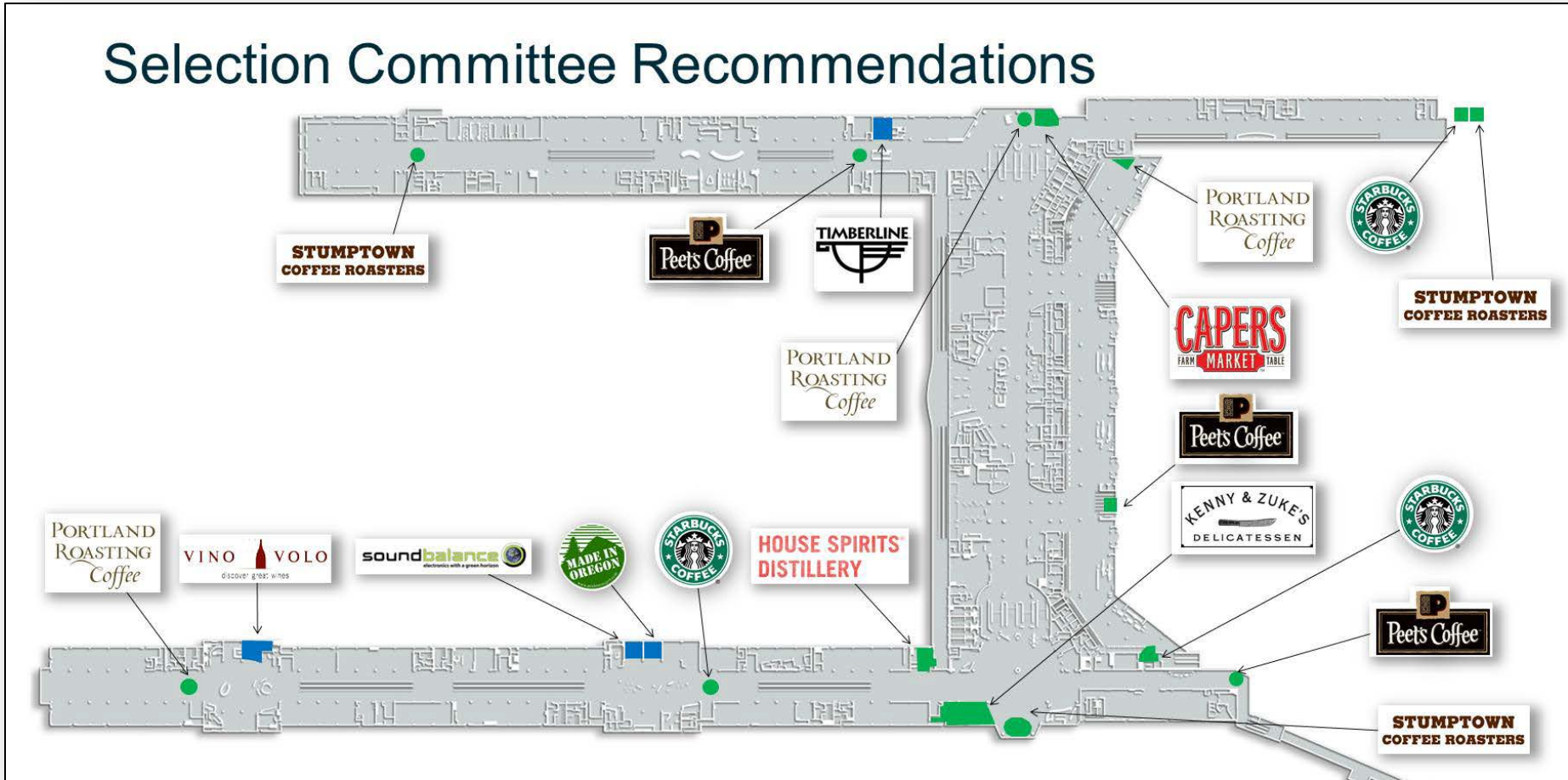
## PDX Quality Employer Plans

- PDX Workplace Initiative Principles
  - Commission Adopted April 2015
- RFP Criteria – PDX Quality Employer Plan
  - Employee Relations
    - Pay & Benefits
    - Training
    - Advancement
    - Safety
  - 25% Weighting
- Required Employee-Employer Relationships Plan

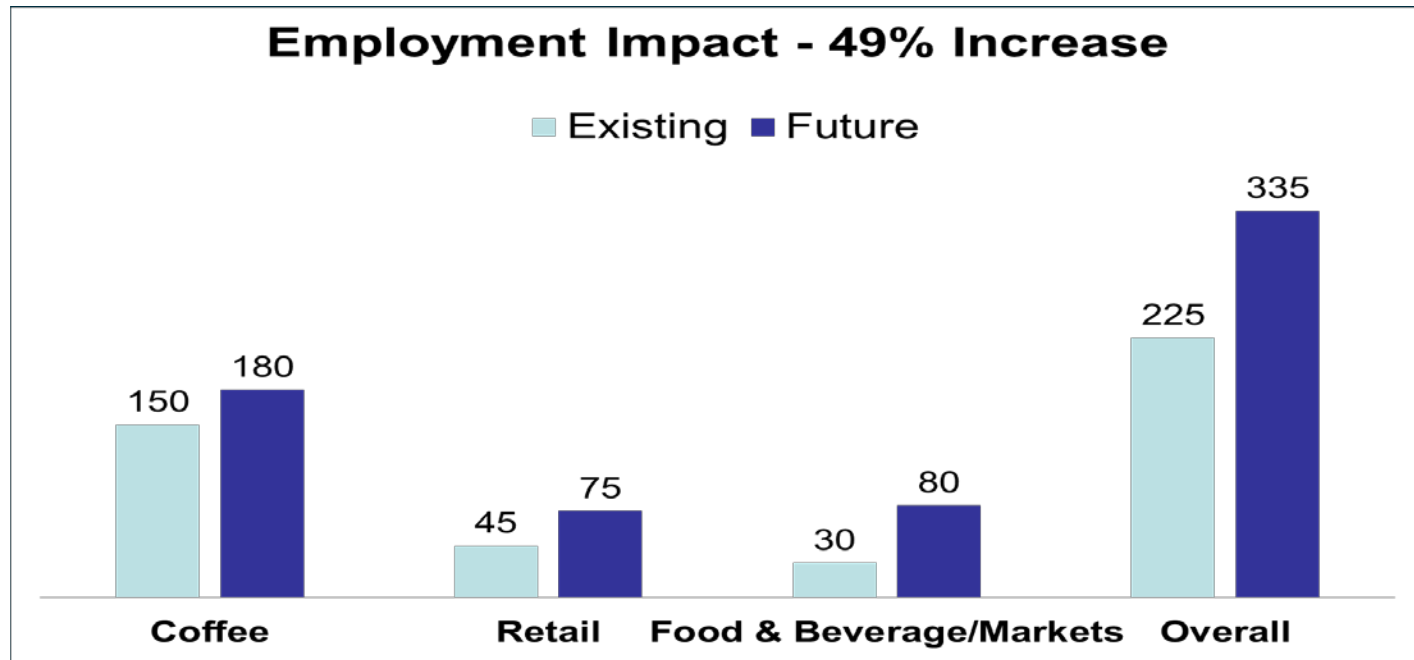




# Selection Committee Recommendations



# PDX Employee Impact



## Assumptions

Coffee – 15 employees/location

F&B – 30 employees/location

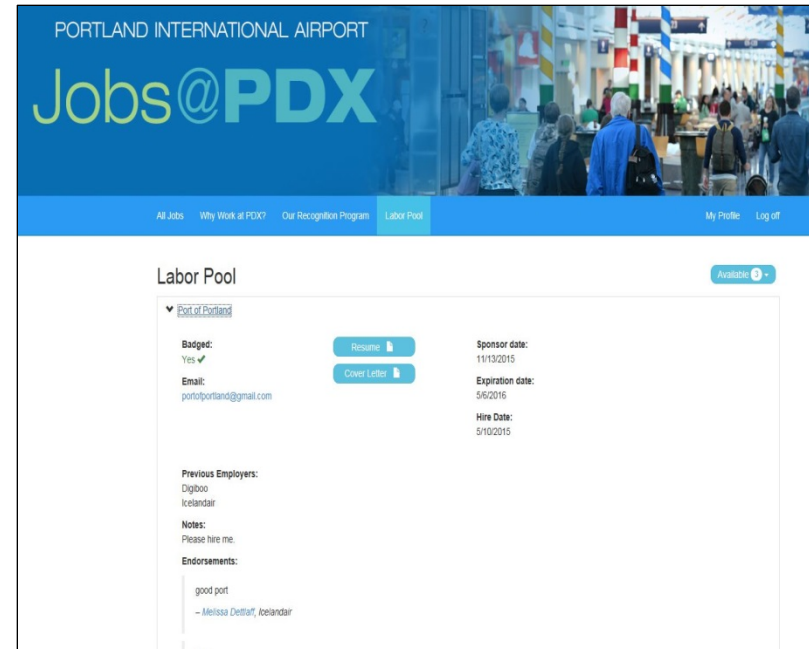
Retail – 15 employees/location

Gourmet Markets – 40 employees/location



## PDX Job Pathways

- PDX Jobs Board
- PDX Labor Pool
  - \$1,000 Incentive
- Transition Meeting (April)
- PDX Job Fair (May)
- PDX Jobs Office in PDX Conference Center



## Next Steps

- Design Review & Permitting
- Transition Meeting & PDX Employee Job Fair (April/May)
- Existing Concessions Close (June 30, 2016)
- Awarded Location Openings
  - New Locations (July 1, 2016)
  - Redeveloped Locations (October 1, 2016)
  - Concourse E Extension Coffee Locations (January 2018)
  - Concourse B Coffee Location (TBD)





## Discussion/Questions

