



San Francisco International Airport

April 20, 2010

P.O. Box 8097
San Francisco, CA 94128
Tel 650.821.5000
Fax 650.821.5005
www.flysfo.com

TO: Interested Parties
SUBJECT: Concession Opportunity

San Francisco International Airport is preparing to commence the selection process for the Terminal 3 Bookstore Lease, and invites you to participate in the Request for Proposal process. Enclosed for your information is a summary of the *proposed* business terms.

If you are interested in receiving further information, please complete the enclosed response form and return it to our office by May 7, 2010. Please note: you ***must*** complete the attached response form in order to receive further information on this concession opportunity.

Once available, the Request for Proposal documents may also be viewed on-line at <http://www.flysfo.com/web/page/about/b2b/conces/>.

Thank you for your interest and we look forward to your positive reply.

Sincerely,

Cheryl Nashir
Associate Deputy Airport Director
Revenue Development and Management

Enclosures

cc: Tomasi L. Toki

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COMMISSION
CITY AND COUNTY
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AIRPORT DIRECTOR

Terminal 3 Bookstore Lease --SUMMARY--

MINIMUM QUALIFICATION REQUIREMENTS	
Acceptable Minimum Proposal Amount:	\$400,000.00
Proposal Bond Amount:	\$100,000.00
Minimum Qualification Requirements:	<ul style="list-style-type: none"> Proposer must have a minimum of three (3) years within the past five (5) years ("qualifying years") in the ownership or management of a business specializing in a bookstore concept. Proposers may be newly formed entities (e.g., limited liability companies, joint ventures, corporations) provided that the corporation or other legal entity that is the Proposer or its managing members satisfies the minimum qualification requirements. Said retail business of proposer must have achieved combined gross retail merchandise sales of at least \$1,000,000.00 per qualifying year.

PROPOSED LEASE SPECIFICATIONS	
Premises:	<p>Two spaces in Terminal 3, Boarding Area "F", totaling approximately 3,558 square feet as follows:</p> <ul style="list-style-type: none"> Approximately 2,743 square feet of retail space for a bookstore. Approximately 815 square feet for an office/storage space.
Term:	10 years, commencing on the rent commencement date.
Minimum Improvement Amount:	\$350.00 per square foot of the retail spaces
Rent During Construction Period:	10% of Gross Revenues
Annual Rent:	<p>Per Lease Year, the base rent shall be the higher of the minimum annual guarantee ("MAG") or the following tiered percentage rent:</p> <ul style="list-style-type: none"> 8% of gross revenue achieved up to \$2,000,000.00; plus 10% of gross revenue achieved over \$2,000,000.00.

PROPOSED LEASE SPECIFICATIONS	
Security Deposit:	One-half of current MAG
Required Uses:	<p>Tenant shall display and sell, on a non-exclusive basis, the following:</p> <ul style="list-style-type: none"> Newspapers: A complete supply of newspapers of general circulation must be carried at all times and sold at no more than the pre-marked cover price. Periodicals: The major best-selling national periodicals and magazines must be carried and sold at no more than the pre-marked price thereon. Paperback and Hardback Books: The top twenty best-sellers on the "Fiction" and "Non-Fiction" and the five best-sellers in "Advice, How to and Miscellaneous" on the weekly New York Times Book Sellers List must be carried (as well as a full line of other paperback books) and sold at no more than the publisher's list price. Other hardback and paperback books may be carried but must be sold at no more than the pre-marked price indicated thereon.

RECOMMENDED EVALUATION AND SELECTION CRITERIA	
Criteria	Scoring Weight
Proposed Concept/Site Visit	30
Design Intention and Capital Investment	20
Business Plan	20
Customer Service and Quality Control	20
Minimum Annual Guarantee	10
Total Possible Points	100

**SAN FRANCISCO INTERNATIONAL AIRPORT
TERMINAL 3 BOOKSTORE LEASE**

- Response Form -

Please respond by May 7, 2010

Fax: 650.821.4519
Email: SFOConcessions@flysfo.com
Mail: Airport Commission
Revenue Development and Management
P. O. Box 8097
San Francisco, CA 94128

Please type or print your information clearly.

The Airport is not responsible for confirming illegible information provided below.

NAME: _____

TITLE: _____

COMPANY: _____

ADDRESS: _____

E-MAIL: _____

TELEPHONE NO.: _____ FAX NO.: _____



Please check here if you wish to be removed from our mail list.