

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Mukesh (Mookie) Patel

**SUBJECT: RFP FOR RETAIL
CONCESSIONS AT SAN
JOSE MINETA
INTERNATIONAL AIRPORT**

DATE: August 21, 2024

Approved



Date:

8/22/24

INFORMATION

The purpose of this information memorandum is to update the City Council on the status of the request for proposals (RFP) for the retail concessions at the San José Mineta International Airport (Airport).

On May 7, 2024, the Airport notified City Council of its intent to release a RFP for retail concession locations at the Airport with the approval of Resolution RES2024-123. The associated memorandum detailed the changes necessary to the current retail program to establish the best possible concession program for bid. This RFP will encompass two packages featuring a combination of travel essential, specialty retail, and café locations.

To foster widespread awareness of the forthcoming RFP, the Airport has conducted comprehensive outreach efforts since June 2023. These initiatives are shown below.

- **Airport Experience Conference:** On April 4, 2024, staff presented the upcoming RFP opportunity and invited interested parties to attend retail outreach sessions.
- **Retail Outreach Sessions:** On May 22 and 23, 2024, the Airport hosted sessions to connect potential vendors and interested parties. Local businesses were invited to participate in person or online. The invitation was shared with City Council members and promoted on the Airport's website and through various social media channels throughout the month of April and May. Forty-five people attended the outreach sessions, including all three national airport retail prime operators who were available to meet with local businesses.
- **Airport Council International - North America:** On June 10-12, 2024, staff presented the upcoming RFP opportunity to attendees at the conference.

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- **Airport Minority Advisory Council:** The upcoming RFP opportunity was featured during the Airport Minority Advisory Council 360 podcast on June 21, 2024 and at the Airport Business Diversity Conference on August 7, 2024.

On May 13, 2024, staff reviewed key terms and conditions with the Airport Commission.

The City of San José, Airport Department officially released the Retail Concession RFP, SJC242536, on August 15, 2024. The City is offering two packages consisting each of five post-security retail locations across both Terminals A and B and one pre-security location. Each package includes a mix of specialty retail, café, and travel essentials concepts. Proposers will be allowed to bid their rent values as well as the total capital expenditures. This RFP will allow the Airport to replace all retail locations currently operated by AMS SJC JV (dba Hudson) once the Hudson agreements expire on June 30, 2024 and June 30, 2026. Those locations that expired on June 30, 2024 remain in “holdover” status, pursuant to City Council approval (by Resolution Number [RES2024-123](#)) until turnover to the awarded proposers on July 1, 2025.

Interested bidders may find a copy of the RFP SJC242536 on Biddingo.com. Pursuant to the City’s Procurement and Contract Integrity and Conflict of Interest Policy (Resolution 77135, Section 7), once the RFP is issued, potential proposers must limit their inquiries to the designated representative for the RFP until the protest process is complete. Potential proposers that do not comply with these requirements could be precluded from participating in the procurement or disqualified. These precautions are intended to increase competition and ensure a fair and transparent procurement process. The City Council and staff will need to be mindful of the above admonitions to ensure maximum participation of potential proposers in the procurement process.

We are tremendously excited by the opportunity to revitalize our retail concessions program in the next few years. We are confident, that by curating a dynamic and elevated food and beverage and retail experience, we will establish our concessions as one of the best in the industry. We are committed to conducting a fair and transparent RFP process and greatly appreciate your adherence to the outlined protocols throughout.

/s/

Mukesh (Mookie) Patel
Director of Aviation

The principal author of this memorandum is Rebekah Bray, Principal Property Manager, Airport Department. All inquiries related to Retail RFP SJC242536 should be submitted through Biddingo.com.