



ADDENDUM No. 1

July 27, 2022

SECTION IV REPLACEMENT PROVISIONS

**REQUEST FOR PROPOSALS
MDOT MAA-RFP-22-001**

**FOR THE NON-EXCLUSIVE RIGHT TO
REDEVELOP, RENOVATE, LEASE & MANAGE
THE RETAIL, RESTAURANT & COMMERCIAL SERVICES
AT
BALTIMORE/WASHINGTON INTERNATIONAL
THURGOOD MARSHALL AIRPORT**

MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND AVIATION ADMINISTRATION

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BALTIMORE/WASHINGTON INTERNATIONAL
THURGOOD MARSHALL AIRPORT

SECTION IV – REPLACEMENT PROVISIONS

The following are changes to the Request for Proposals No. MDOT MAA-RFP-22-001 (RFP):

RFP REPLACEMENT No. 1

SECTION I, INTRODUCTION & OBJECTIVES

The Administration hereby amends Section I.A, INTRODUCTION of the RFP as follows:

A. INTRODUCTION

Thank you for your interest in Baltimore/Washington International Thurgood Marshall Airport (“Airport” or “BWI Marshall Airport”) and the Maryland Department of Transportation Maryland Aviation Administration’s

(“Administration”) solicitation for the Non-Exclusive Right to Redevelop, Renovate, Lease & Manage the Retail, Restaurant & Commercial Services at BWI Marshall Airport (“Request for Proposal” or “RFP”). The Airport is owned by the State of Maryland and is operated by the Administration.

BWI Marshall Airport is a world-class airport, providing invaluable access to destinations



around the world and serves as the gateway to business and tourism in the Washington-Baltimore Region. The Airport is not only an air transportation center, but an economic generator, and a catalyst for growth.

The Administration is a customer-driven organization that prides itself in delivering safe, sustainable, intelligent, and exceptional transportation solutions to connect people to life's opportunities. Its vision is to 'be better.' The Administration's primary responsibility is the operation and management of the Airport, a multi-billion-dollar enterprise. The Administration's goal is to provide excellent customer service for the traveling public utilizing the Airport. To achieve its goal and vision, the Administration continuously seeks innovative commercial programs to accommodate the needs of the traveling public in a safe, satisfying, efficient and convenient manner. Our motto is that we are the "Easy Come, Easy Go" Airport.



One of the Administration's core ambitions with this solicitation is to connect with entrepreneurs, retailers, restaurateurs, concessionaires, and commercial developers who have the passion and vision to develop an airport concessions program of the future. The Administration is requesting proposals from interested and qualified firms, **including**

newly established qualified firms e.g., joint ventures, partnerships ("Proponent") **who meet the Mandatory Qualifications in Section V.**

~~[with the ability to finance, collaborate, innovate, and completely~~

~~reimagine the concessions program at BWI Marshall Airport in accordance with the requirements of this RFP and Contract to be awarded.]~~

Please carefully review all the enclosed documents. Proponents must carefully examine the terms of this RFP and associated documents to evaluate all the circumstances and conditions for the Contract to be awarded. Proponents must comply with all submission requirements detailed in this RFP to be eligible for consideration for Contract award. All information and materials submitted will be thoroughly analyzed and independently verified. Technical Proposals must present a complete development program, including among other things, financial plans, conceptual designs, tenant mix, operation plans, management plans, and other necessary information which fully responds to all requirements of this RFP to form the basis for selection by the Administration.

Potential Proponents should carefully consider all information contained in this RFP in formulating a response to this RFP. It is expected that each Proponent, at the Proponent's expense, conduct its own research, analysis and due diligence needed to submit a Technical Proposal. The information in this RFP will help Proponents understand the past and current conditions of the Airport, its passenger base, the surrounding region, and the existing retail, restaurant, and commercial services program ("Concessions Program") at the Airport.

The Administration notifies all Proponents that for any Contract entered into pursuant to this RFP, Disadvantaged Business Enterprises ("DBE"), Airport Concessions Disadvantaged Business Enterprises ("ACDBE"), Minority Business Enterprises ("MBE"), Small Business Enterprises ("SBE") and Veteran-Owned Small Business Enterprises ("VSBE") will be

afforded full opportunity to submit Technical Proposals in response to this RFP and will not be subjected to discrimination on the basis of race, color, sex, creed, national origin or disability in consideration for an award. DBEs, ACDBEs, MBEs, SBEs and VSBEs are encouraged to respond to this RFP.

We look forward to considering your response in relation to the overall goals and objectives established by the Administration for this RFP and Contract to be awarded.

Proponents are hereby advised that this type of revenue-producing contract at a transportation facility is outside the scope of the State of Maryland Procurement Law under State Finance and Procurement Article, Section 11-202(3) and COMAR 21.01.03.03.B(1)(d).

RFP REPLACEMENT No. 2

SECTION I, INTRODUCTION & OBJECTIVES

The Administration hereby amends **Section I.C, CONCESSIONS PROGRAM OVERVIEW** of the RFP as follows:

C. CONCESSIONS PROGRAM OVERVIEW

In 2004, the contract for a developer to “Lease, Develop, and Manage Food Service, Retail and Service Concessions at BWI Marshall Airport”



was awarded to BAA Maryland, Inc, a wholly-owned subsidiary of BAA, USA. BAA Maryland, Inc. was later acquired by AirMall USA, and is currently operated by Fraport Maryland, Inc. a wholly-owned subsidiary of Fraport USA (“Fraport”), a Fraport AG Frankfurt Airport Services Worldwide

wholly-owned subsidiary. At the commencement of that lease and concessions contract, the Concessions Program maintained approximately 60,000 square feet of gross leasable area, including all selling space and concessions storage space. Sales per enplaned passenger for this period of the Concession Program is illustrated in General Information No. 6. [5,] “Concessions Analysis & Performance.” In 2003, the last full year of the previous Master Concessionaire Management contract, the concession sales per enplaned passenger was \$5.70. The transition of the Concessions Program in 2004 to the Concessions Developer model, increased concessions sales per enplaned passenger to \$6.24. Prior to contract commencement with BAA Maryland, the Concessions Program ranked 37th in sales per enplaned passenger according to Airport Revenue News survey of the top 50 airports in North America.

Today, the Concessions Program incorporates over 194,000 square feet [(see Exhibit “B”), which includes approximately 42,500 square feet of



concessions storage space (see Exhibit “C”)] (see Exhibit “C”), which includes

approximately 42,581 square feet of concessions support and storage space (see Exhibit “H”). The annual

performance of the Concessions

Program is dominated by the percentage share of sales of two concessions categories: food and beverage, and news and gifts, which accounted for 84% of all sales in Calendar Year (CY) 2019 and 89% of all sales in 2021 (see General Information No. 5). The food and beverage line of business dominates the gross concessions sales, accounting for 65.11% in 2019 and 70% in 2021. CY 2019 represented the best year of the Concessions Program in terms of revenue, generating \$158 million in total

sales. The program was severely challenged in CY 2020, by the COVID-19 pandemic with a 61.54% drop in total concessions sales compared to the previous year (see General Information No. 5). According to the 2021 Airport Experience News Fact Book, BWI Marshall Airport ranked 19th among the Top 50 performing North American Airports with sales per enplaned passenger rising from \$9.21 in CY 2019 to \$10.92 in CY 2020.

The current Concessions Program maintains approximately 139 locations, under 65 subleases to approximately 50 business entities. The program also maintains twelve vending areas throughout the Airport Terminal Building that accommodate multiple vending machines. In 2019, the Concessions Program provided employment for 2,380 employees who maintain an average hourly wage (plus tips) of \$15.84 per hour. The dynamics of employment and wages are outlined in General Information No. 10.

In late August 2021, Fraport introduced its mobile ordering service, GateWaiter, offering a convenient, self-service option for hungry fliers on the go. The platform is powered by Servy's Grab® Airport Marketplace Technology, with delivery by @AtYourGate. Grab® notes itself as the largest e-commerce platform in airports worldwide.

Finally, LaunchPad BWI Marshall is the Administration's and Fraport's branded program for small businesses at BWI Marshall Airport. Starting as a kiosk program in 2017, the LaunchPad program evolved to providing start-up businesses an opportunity to test new products and services, while expanding their brand's recognition in national and international markets through the Airport's significant passenger base. Successful participants have graduated from kiosks to in-line locations with typical terms and conditions for concessions operating under 5- and 10-year

sublease agreements. The Selected Proponent of this RFP will be required to completely reimagine, rebrand, and redevelop the LaunchPad program. In reimaging this program, the Administration envisions the Selected Proponent forming collaborative partnerships with entrepreneurship academies, local colleges, universities, and nonprofits to support and strengthen both the micro-business and startup business ecosystems at the Airport. The Selected Proponent shall be required to develop and maintain the micro and incubator business program using kiosks and freestanding retail merchandising units (“RMU”) within the Concessions Area to promote temporary, inexpensive, low-risk entrepreneurship. The new program shall include a true incubator startup business component that nurtures first time entrepreneurs and requires relatively low investment and modest risk to showcase products and test new ideas. Proponents must describe their vision and plans in TAB 32 of their Technical Proposal.

RFP REPLACEMENT No. 3

SECTION I, INTRODUCTION & OBJECTIVES

The Administration hereby amends Section I.E, **OTHER THINGS TO CONSIDER** of the RFP as follows:

AIRPORT CONCESSIONS STREET PRICING POLICY



~~[For the purpose of this RFP and the Contract to be awarded, the Selected Proponent, and each sublessee, must comply with the Airport’s Concessions Street Pricing Policy. The policy is “Street Pricing” without escalation or other consideration that may increase, enhance or raise the approved range of prices from three comparable businesses within the Washington-Baltimore Region. All merchandise and~~

~~consumables for sale, trade, or other, must be priced within a range of prices from three comparable businesses selected by each individual sublessee and approved by the Selected Proponent and the Administration. The Street Pricing Policy is established by the rules and terms as more expressly outlined in Article VIII.C.4 in Exhibit “A” of this RFP.}~~

“Reasonable Pricing” means, pursuant to the Annotated Code of Maryland, Transportation §5-408, the Administration requires that charges, fees, or prices of any goods or services offered to the public at the Airport are reasonable. Accordingly, the Administration is committed to a “Street Pricing” Concessions Pricing Policy without escalation or other consideration that may increase, enhance or raise the approved charges, fees or prices previously determined to be reasonable by the Administration. Lessee and its Sublessees shall observe the Administration’s Street Pricing Policy for goods and services as established by the rules and terms as more expressly outlined in Article VIII.C.4 in Exhibit “A” of this RFP.

RFP REPLACEMENT No. 4

SECTION I, INTRODUCTION & OBJECTIVES

The Administration hereby amends Section I.E, **OTHER THINGS TO CONSIDER** of the RFP as follows:

DELIVERY & DISTRIBUTION

Since 2009, the Administration has maintained a lease with GENCO I, Inc., and subsequently Bradford Airport Logistics, LTD (Bradford Logistics) for the on-Airport centralized receiving and distribution facility (“CRDF”) for the distribution of inventory to Airport concessions. At the time of this writing, the contract term for Bradford Logistics is on hold over with the Administration.

The CRDF is located in Building No. 107 on Air Cargo Road, immediately northwest and within walking distance of the Airport Terminal Building. The facility sits on a 1.58-acre parcel improved with a 35,946 square feet warehouse building. Bradford Logistics maintains approximately 13,560 square feet of non-airconditioned warehouse space and 3,883 square feet of air-conditioned office space with another 3,922 square feet of air-conditioned office space at mezzanine level **(See Gen. Info. No. 2).** ~~](See Gen. Info. No. 6).~~]

The Selected Proponent shall be required to select and employ a qualified logistics provider for the receiving, delivery & distribution of concessionaire inventories from the CRDF. The Selected Proponent shall work closely with the Selected Proponent's logistics provider to develop operating guidelines and procedures to meet the logistical and storage requirements of the Concessions Program. Any subcontract agreement between the Selected Proponent and the logistics provider shall be non-exclusive. The Administration reserves the right to contract with and allow other tenants of the Airport to utilize the services of the logistics provider. In addition to an operating agreement between the Selected Proponent and its logistics provider, the Administration will establish a lease and concession contract with the logistics provider. The contract to be offered to the selected logistics provider will be in substantially the same form presented in Exhibit "G," to this RFP. The lease and concession contract will lease the entirety of the of CRDF space and allow the logistics provider to receive and deliver inventories for the Selected Proponent and for other Airport tenants.

The leased premises under the new contract will be expanded by 6,762 square feet, bringing the total amount of warehouse space to 24,205 square feet. The facility requires nearly \$1 million in renovations. The required renovations and the required leasing modifications will have a considerable impact on the Selected Proponent's assessment of reasonable charges to each Sublessee for delivery and distribution services (Delivery & Distribution Charge). In 2021, the subtenant cost for delivery and distribution services was approximately \$1.50 per square foot. The budgeted revenue collection from subtenants for Delivery & Distribution Services in Calendar Year 2022 is \$2,320,156 and the projected expenses are \$1,975,408. See General Information No. 2 for Operational Management & Performance costs in previous years.

The Administration conducted a fair market rental value appraisal of the CRDF in August 2020, however, no modifications to the lease contract or the rental rate was completed due to the COVID-19 pandemic and its detrimental impact on concessions. The 2020 appraisal of the CRDF which considered the lease of the additional 6,762 square feet of adjacent (vacant) space, increased the CRDF rental lease requirement to \$433,162 per annum. Proponents must consider the financial impact the delivery and distribution charge will have for each of its operating sublessees. At the time of issuance of this RFP, the Administration is conducting an update of the appraisal for the CRDF. It is the Administration's estimate that the rental rate for the CRDF will increase to approximately ~~-\$488,787, based on CPI adjustments~~

since 2020.] **\$569,609 per annum, based on analysis conducted by an experienced independent appraiser and member of the American Institute of Real Estate Appraisers. The Administration will notify Proponents of the accepted fair market rental value when it is formally approved and accepted.**

RFP REPLACEMENT No. 5

SECTION I, INTRODUCTION & OBJECTIVES

The Administration hereby amends **Section I.E, OTHER THINGS TO CONSIDER** of the RFP as follows:

AIRPORT DEVELOPMENT AND MODIFICATION

The Administration has identified approximately 10,592 square feet of existing pre-security concession area (See Exhibit “C”) that will be removed from the concession program in support of future Airport development:

Unit BT 210	3,125 sqft.
Unit OBG 10	28 sqft.
Unit OBG 10A	756 sqft.
Unit ST 200B	1,079 sqft.
Unit ST 200E	145 sqft.
Unit ST 200G	152 sqft.
Unit ST 203	904 sqft.
Unit ST 205A	1,090 sqft.
Unit ST 207	3,313 sqft.

The Administration intends to repurpose Unit BT 210 (currently vacant) to support expanded ticket counter space for Southwest Airlines and to redevelop Units OBG 10 through Unit ST 207 into a common use lounge.

The Administration currently maintains a seven-year lease for 719 square feet of concession space with MinuteSuites BWI, LLC, which commenced October 1, 2020 and will expire September 30, 2027. The Administration will assign this lease and concession contract to the Selected Proponent.

Furthermore, the Administration is in negotiation with British Airways to develop and expand the existing Chesapeake Lounge located pre-security at Concourse “E.” The Administration and British Airways originally entered into a lease contract for this location in November 1, 2015. This agreement is being renegotiated at this time. The original lounge contained 4,272 square feet and is programed to expand to include the current alcove vending area that is post security on Concourse “E”

containing 37 square feet of concessions space (see page 7 of 11 in Exhibit “C” in the original RFP). In addition to the alcove vending area that will be removed from consideration as part of this RFP and Contract to be Awarded. Approximately 1,175 square feet of retail, office and storage space (former Duty-Free location), located adjacent to food and beverage restaurant “Passport” will also be included in the redevelopment of the new Chesapeake Lounge. Any contract awarded either exclusive with British Airways or common use with a business enterprise providing such services shall be between the Administration and British Airways or the common use lounge provider.

Under direct contract with the Administration, Duty Free Americas operated and managed two in-line locations at BWI Marshall Airport. Site NTE264 contained approximately 1,571 square feet, and Site BT254 contained approximately 608 square feet (see Exhibit “C”). As a result of the impacts of the COVID-19 Pandemic, the contract was mutually terminated on June 3, 2020. The term of the contract was for a period of ten years commencing April 1, 2012 and ending March 31, 2022. The revenues generated are outlined in General Information No. **6 [5:]** **“Concessions Analysis & Performance.”** The Selected Proponent will be required to include a Duty-Free Concession as part of its redevelopment program.

Finally, the existing concessions contract requires a minimum of four (4) concession locations providing self-service and full-line Maryland State Lottery & Gaming Control vending machines. The Selected Proponent shall provide, through its Sublessee(s), an equal number of corresponding full-line and self-service Maryland State Lottery & Gaming Control vending machines, unless otherwise approved in writing by the Administration. All

lottery sales must be conducted in accordance with Maryland State Lottery laws, regulations, rules and procedures.

RFP REPLACEMENT No. 6

SECTION V, MANDATORY QUALIFICATIONS

The Administration hereby amends Section V, MANDATORY QUALIFICATIONS of the RFP as follows:

To be considered for award of the Contract, the Proponent must meet the Mandatory Qualifications listed below at the time of Technical Proposal submission. ~~Interested parties may desire to form a strategic business alliance and collaboratively submit a Technical Proposal as a newly-formed business entity (e.g., joint venture, partnership, etc.). However, in order to meet all Mandatory Qualifications, such a Technical Proposal must provide to the Administration information concerning another entity (e.g. a parent firm) together with the newly-formed Proponent that meets all Mandatory Qualifications. Such other entity (e.g. a parent firm) shall execute the Guaranty of Performance document (Form No. 11 provided with this RFP) binding itself to perform the Contract and to correct an awarded Proponent's failure(s) to perform if such failure occurs.~~

~~Proponent, or Guarantor (if any), must meet the following Mandatory Qualifications:~~ **Proponent must meet the following Mandatory Qualifications:**

1. Must have at least seven consecutive years within the last ten years of demonstrated operational combined experience in designing, developing, leasing, and managing the day-to-day operations of an airport concessions program, retail mall, and/or retail lifestyle center or retail power center. **The Administration will accept as company experience the experience of individual personnel (e.g., owner, partner, JV, executive management), or combinations of personnel with documentation demonstrating the seven (7) consecutive**

years required experience, including the name, address, and telephone number of a contact person with the company where the required experience was earned and a description of the term, value, and experience earned under the contract. Descriptions of experience must be supported by an affidavit declaring and affirming under the penalties of perjury that the narrative is true and correct. Individuals proposed by a Proponent to satisfy this Mandatory Qualification are expected to remain available and dedicated to the contract, should it be awarded to the Proponent;

2. Must be financially capable of financing, designing, constructing, operating and managing the proposed concessions management service as determined by the Administration based on financial information submitted by Proponent;
3. Must not be currently barred, disqualified, or suspended from bidding (including being issued a limited denial of participation) on government (federal, State, or local) or airport contracts or programs; and
4. Must submit all other information required to be submitted by this RFP.

If a joint venture, partnership, or limited liability company (“LLC”) submits a Technical Proposal, the joint venture, partnership, or LLC must meet all of the **aforementioned** Mandatory Qualifications criteria in order to be considered for award of the Contract. **If a Proponent does not meet Mandatory Qualification Section V.1 or V.2, then the Proponent’s Guarantor must meet these qualifications to be considered for award. See Guaranty of Performance Form No. 11 and Section IX.B TAB 14 of this RFP.**

Failure of a Proponent to meet the Mandatory Qualifications shall result in the Administration finding the Proponent’s Technical Proposal to be unacceptable and rejection of the Proposal.

RFP REPLACEMENT No. 7

SECTION VI, PROPOSAL SCHEDULE & PROCESS

The Administration hereby amends **Section VI.B.10, SUBMISSION OF TECHNICAL PROPOSALS** in the RFP as follows:

10. Submission of Technical Proposals

One (1) signed and bound ORIGINAL Technical Proposal, twelve (12) bound copies, and one (1) electronic version in Microsoft compatible or PDF format on a USB flash drive containing all Technical Proposal information shall be submitted to:

**[Morris E. Williams, III
Deputy Director
Office of Commercial Management (RFP)
Maryland Aviation Administration
Third Floor, Terminal Building
P.O. Box 8766
BWI Airport MD 21240-0766]**

**Tanya Wojtulewicz
Deputy Chief, Business Development & Management (RFP)
Maryland Aviation Administration
Third Floor, Terminal Building
P.O. Box 8766
BWI Airport MD 21240-0766**

Note: For documents sent by overnight mail (e.g. Fed Ex, UPS, DHL, etc.) omit the P.O. Box in the above address.

Each copy shall be identical to the original. Technical Proposal content and formatting instructions are detailed in Section IX of this RFP. A Technical Proposal received after 4:00 p.m. local time on August 31, 2022, will not be considered.

The checklist for information required under this RFP must be completed and returned with each copy of the Technical Proposal. This checklist is included as Form No. 14 in the package titled "Forms to be Submitted."

Requests for extensions of the date or time for Technical Proposal submissions will not be granted. The Administration will reject late Technical Proposals. Any late Technical Proposal, late request for modification, or late request for withdrawal, delivered verbally or via text, fax, e-mail, mail or any other communication, will not be considered. Proponents are cautioned that they are responsible for timely delivery. Therefore, if the Technical Proposal is delivered by an express or overnight mail carrier or by any other means, it is the Proponent's responsibility to ensure timely delivery.

RFP REPLACEMENT No. 8

SECTION VI, PROPOSAL SCHEDULE & PROCESS

The Administration retroactively amends **Section VI.B.8, QUESTIONS** in the RFP as follows:

8. Questions

Proponents having questions about this RFP or comments about the Contract documents, including any requests for clarifications or modifications to the RFP documents, may submit them in writing no later than 4:00 p.m. (local time) on June 23, 2022 by email to MAARFPQuestions@bwiairport.com or by mail to the address below:

**[Morris E. Williams, III
Deputy Director
Office of Commercial Management (RFP)
Maryland Aviation Administration
Third Floor, Terminal Building
P.O. Box 8766
BWI Airport MD 21240-0766]**

**Tanya Wojtulewicz
Deputy Chief, Business Development & Management (RFP)
Maryland Aviation Administration
Third Floor, Terminal Building
P.O. Box 8766
BWI Airport MD 21240-0766**

Note: For documents sent by overnight mail (e.g. Fed Ex, UPS, DHL, etc.) omit the P.O. Box in the above address.

Written questions received after 4:00 p.m. (local time) on June 23, 2022, will not be answered by the Administration and will not become part of the RFP process. **The Administration will not answer any verbal questions other than those questions posed at the Pre-Proposal Conference. The Administration will not respond to any emails individually and will not respond to any telephone calls relating to this RFP.**

Prior to submitting a Technical Proposal, each Proponent should become fully informed as to the extent and character of the work involved. A submission of a Technical Proposal is an agreement to comply with all terms and conditions referenced in this RFP.

RFP REPLACEMENT No. 9

SECTION IX, TECHNICAL PROPOSAL FORMAT AND CONTENT

The Administration hereby amends Section IX.B.TAB.4.g, **EXECUTIVE SUMMARY** in the RFP as follows:

TAB 4. Executive Summary

The Executive Summary should provide:

- a. A complete and comprehensive history of the company and each individual firm comprising the team, partnership, joint venture or LLC (“Proponent”);
- b. Discussion of how Proponent meets or exceeds the Mandatory Qualifications as referenced in Section V of this RFP;
- c. Proponent’s vision and mission statement;
- d. A discussion of the company’s track record on diversity, equity and inclusion in its company’s leadership and management ranks;
- e. Proponent’s business goals and objectives and how they relate to this business opportunity;
- f. Description of Proponent’s three main points of benefit. Specifically, what are three points of the

Proponent's Technical Proposal that makes it most advantageous for the BWI Marshall Airport passenger; and

g.[f.] Elements that differentiate Proponent's development approach for this project from other projects it has previously completed.

RFP REPLACEMENT No. 10

SECTION IX, TECHNICAL PROPOSAL FORMAT AND CONTENT

The Administration hereby amends **Section IX.B.TAB.14, GUARANTOR** in the RFP as follows:

TAB 14. Guarantor

~~[In the event the Proponent is a newly formed business entity or otherwise fails to meet all mandatory qualifications]~~ **In the event the Proponent fails to meet the Mandatory Qualifications in Section V1 or V.2,** it must provide to the Administration information concerning another entity (Guarantor – e.g., parent company). Please describe, if applicable, the entity that will act as Guarantor of Proponent's obligations under the Contract to be awarded. Proponent shall include the Guarantor's state of organization; a copy of Guarantor's article of organization; and a certificate of good standing from the Guarantor's state of organization; a complete list of the owners or members of the Guarantor along with respective percentages ownership or membership; a complete list and resume of the individual members of the board of directors (or other governing body),

the officers of the Guarantor; and a discussion of the management and control powers of the Guarantor. Include any agreement between the Proponent and Guarantor.

Proponent shall provide the corporate history of the Guarantor, and the current and previous experience of the Guarantor with regards to comparable development in size, magnitude, and use. This information should include project descriptions (three descriptions at minimum), project photos, dates completed, Guarantor's role, and financing. Also, include contact information for verification.

By appendix in the Proponent's Technical Proposal, the Guarantor is required to provide copies of any internal and/or external audits or investigations from the last twenty-four (24) months (from the date of submission) from any federal, state, local, municipal, county and/or regulatory authority.

RFP REPLACEMENT No. 11

SECTION IX, TECHNICAL PROPOSAL FORMAT AND CONTENT

The Administration hereby amends **Section IX.B.TAB.19, GUARANTOR** in the RFP as follows:

TAB 19. References

Proponent is required to provide a minimum of three written references from business entities, business leaders, industry organizations, government agencies and/or airport authorities endorsing Proponent's qualifications, character, and service. The written references must be dated within six months of the Initial Technical Proposal submittal date, and include a contact person, who may be contacted by the Administration and who is willing to discuss the Proponent's business activities. At a minimum, the reference information shall include the name

of the entity or municipality, the name, title, address, phone number and email address of person providing reference.

Also provide at least one written reference from a bank or financial institution officer familiar with Proponent's financial accounts. Proponent shall provide company name of the financial institution, its address, telephone number(s), and the names of bank or financial institution officer(s) familiar with the Proponent or its controlling owner's (or owners') account(s). The reference must be dated within six months of the submission date of the Proposal and must reflect average bank account and credit history information.

Letters of reference attached under this tab will not count against the 300-page limit of the Technical Proposal.

The following are changes to Exhibit "A" the Draft Sample Lease and Concession Contract to be Awarded:

EXHIBIT "A" - SAMPLE CONTRACT REPLACEMENT No. 1

ARTICLE III - DEFINITIONS

The Administration hereby amends the definition of Concessions Developer in **Article III in Exhibit "A"** in the original RFP as follows:

"Concessions Developer" means the entity [~~ies~~] identified as the Lessee, responsible for all aspects of implementing the Concessions Program.

EXHIBIT "A" - SAMPLE CONTRACT REPLACEMENT No. 2

ARTICLE III - DEFINITIONS

The Administration hereby amends **Article III in Exhibit "A"** in the original RFP to include the following definition:

"Mandatory Qualifying Personnel" means individual personnel (e.g., owner, partner, JV, executive management) or combinations of personnel submitted by Lessee as part of its Technical Proposal in order to meet the Mandatory Qualification requirement of

demonstrating seven consecutive years within the last ten years of operational experience in designing, developing, leasing, and managing the day-to-day operations of an airport concessions program, retail mall, and/or retail lifestyle center or retail power center.

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 3

ARTICLE III - DEFINITIONS

The Administration hereby amends Article III in Exhibit “A” in the original RFP to include the following definition:

“Reasonable Pricing” means, pursuant to the Annotated Code of Maryland, Transportation §5-408, the Administration requires that charges, fees, or prices of any goods or services offered to the public at the Airport are reasonable. The Administration is committed to a “Street Pricing” Concessions Pricing Policy without escalation or other consideration that may increase, enhance or raise the approved charges, fees or prices previously determined to be reasonable by the Administration. Lessee and its Sublessees shall observe the Administration’s Street Pricing for goods and services (as hereinafter defined).

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 4

ARTICLE VII - LEASED PREMISES

The Administration hereby amends Article VII.H and I in Exhibit “A” in the original RFP as follows:

Sublessee Premises Numbering

G. Each individual Sublessee Premises shall be assigned a unique unit number. Such unit number is assigned to the location, not the concept, so that if a shop should change operator, the unit number remains with the location. Each kiosk will also be assigned a unique unit number. The assigned unique unit number shall be in accordance with the Administration’s location numbering system.

[H. — Subleasing Limitations

~~The maximum aggregate amount of the Leased Premises that may be subleased to a Sublessee by Lessee is 3% of the Concession Area. This limitation extends to any subsidiary of a Sublessee and to any joint venture or partnership formation by a Sublessee and to any ownership or ownership interest a Sublessee may have in a business entity.]~~

[1.] H. **Ingress and Egress**

Subject to security restrictions, Lessee and Sublessees (via approved Subleases), and their respective officers, employees, customers, patrons, invitees, contractors, subcontractors, suppliers of products and materials and furnishers of services shall have the right of ingress to and egress from the Leased Premises, as reasonably required to carry on permitted activities as described herein.

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 5

ARTICLE VIII - LESSEE’S OBLIGATIONS

The Administration hereby amends Article VIII.A in Exhibit “A” in the original RFP to include the following paragraph:

4. Lessee’s Mandatory Qualifying Personnel

If Lessee relied upon the experience of individual personnel (e.g., owner, partner, JV, executive management) or combinations of personnel, to satisfy the Mandatory Qualification for operational experience, the proposed Mandatory Qualifying Personnel are expected to remain available and dedicated to this Contract. Lessee shall not remove or replace any Mandatory Qualifying Personnel without the Administration’s prior written approval. If Lessee desires to remove or replace any Mandatory Qualifying Personnel, replacements shall be individuals of equal or higher expertise, availability, experience, and qualifications. The Lessee will be responsible for any expenses incurred in onboarding the replacement Mandatory Qualifying Personnel to insure they are fully productive and have full knowledge of the contract status and scope of services.

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 6

ARTICLE VIII - LESSEE’S OBLIGATIONS

The Administration hereby amends Article VIII.C.4 in Exhibit “A” in the original RFP as follows:

4. **Concession Pricing Policy**

Pursuant to the Annotated Code of Maryland, Transportation §5-408, the Administration requires that charges, fees or prices of any goods or services offered to the public at the Airport are reasonable. The Administration is committed to a “Street Pricing” Concessions Pricing Policy without escalation or other consideration that may increase, enhance or raise the approved charges, fees or prices previously determined to be reasonable by the Administration. After street prices are initially established, charges, fees, or prices of any goods or services may not be increased without the prior approval of the Administration. In determining reasonableness, the Administration shall consider the charges, fees, or prices for the same goods or services at comparable airports. Lessee shall cause Sublessees

prices for the sale of food, beverage, retail and commercial services to be “Street Priced.” Lessee shall ensure retail, restaurant, commercial services offered at the Airport be comparable to the quality, portion or kind offered at similar locations or other comparable establishments in the Washington-Baltimore Region and that such pricing is based on and conforms to the Administration’s Street Pricing Policy. Where an item has a pre-marked or suggested retail price established by the manufacture or distributor, Lessee shall ensure Sublessee not charge a price higher than such pre-marked or suggested retail price (tax not included).

Without exception, prices charged by Sublessees shall not exceed the range of prices from three separate non-Airport businesses, of comparable nature, ambiance, product and service lines, within the Washington-

Baltimore Region, as selected by the Sublessee and approved by Lessee and the Administration.

Notwithstanding the above, the Street Price for a good or service shall be determined as follows:

- a. If an entity is a newly formed entity and does not operate a business within the Washington-Baltimore Region, the Street Price shall be the price within the range of prices for the good or service from three comparable non-Airport business or from three separate non-Airport businesses for each available good or service if not available from any one comparable business having comparable quality, portion or kind as submitted by the Sublessee and accepted and approved by Lessee and the Administration.
- b. If an entity of the same business, franchise or trade name as a Sublessee, operates in a non-Airport location, within the Washington-Baltimore Region, the Street Price shall be the price of the good or service comparable to three separate businesses, submitted by the Sublessee, having the same name or franchise as the Sublessee and accepted and approved by Lessee and the Administration.
- c. If an entity of the same business, franchise or trade name as a Sublessee does not operate within the Washington-Baltimore Region, the Street Price shall be the price within the range of prices for the good or service from three comparable businesses or from three separate businesses for each available good or service having comparable quality, portion or kind, as submitted by the Sublessee and approved by the Lessee and the Administration.
- d. If a good or service is not available from an entity of the same business, franchise or trade name, the Street Price shall be within a range of the regular prices of three (3)

separate businesses, of comparable nature, ambiance and product and service lines, within the Washington-Baltimore Region.

- e. **Notwithstanding the above in a through d, if an entity of the same or similar business, has the same trade name or is an affiliate business, franchise or is a separate newly formed business entity, providing similar products and/or services found within the Washington-Baltimore Region, then the Street Price shall be the price found within the Washington-Baltimore Region including at airports located within the Washington-Baltimore Region.**

In all cases for determining the Street Price for goods and services above, the Administration shall approve and monitor all charges, fees, and/or prices based on Reasonable Pricing and consider the charges, fees, or prices for the same goods or services at comparable airports as required by the Annotated Code of Maryland, Transportation §5-408.

At least forty-five (45) calendar days prior to DBO of Sublessee Premises, Lessee shall cause its Sublessee(s) to provide for the Administration's final review and written approval, a final product list or service list and pricing confirming the menu of items to be offered for sale and prices to be charged for each item. Sublessee shall not in any manner misrepresent to its customers the quality, grade, point of origin, or the size, weight or portion, or utilize false or deceptive merchandising terms or advertising.

If the Administration deems the prices charged for the sale of food, beverage, retail and/or commercial services to be non-conforming to the Street Pricing Policy, the Administration will notify Lessee in writing of its failure to be in full compliance with the requirements of this Contract.

Sublessee shall be given ten (10) business days to bring all products into compliance with the Street Pricing Policy. Failure to bring pricing into compliance with the Street Pricing Policy within ten (10) business days will incur fines of two hundred fifty dollars (\$250) per calendar day, in accordance with Article XXXVIII.F. Failure to cure within thirty (30) calendar days of Administration's written notice is a default, pursuant to Article XXXVI.A.26.

Sublessees shall be permitted, but not required, to offer discounted prices to Airport employees and other Administration-badged facility users. The exact types and amounts of discount may vary by Sublessee, but must be submitted by Sublessees to Lessee and the Administration, and approved by the Administration prior to Sublessee Premises opening, and in the event any changes from the initial discount program are made in the future. Discounts, once offered, may not be removed, without notice to the Administration.

Lessee shall require Sublessees to honor airline meal vouchers or other concession-related vouchers provided to passengers and Airport or airline employees during disruptions to travel.

Three (3) times per year, Lessee shall conduct an audit concerning Sublessee compliance with respect to current products available and price levels at the Airport. The audit shall compare the price levels of current products available at the Airport with prices, quality, portion and kind offered in accordance with the Administration's Street Pricing Policy.

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 7
ARTICLE XXVI – INSURANCE

The Administration hereby amends **Article XXVI.G.2, Commercial Automobile Liability Insurance (non-restricted areas) in Exhibit “A”** in the original RFP as follows:

2. This Contract does require the Lessee to have vehicular access to Non-Restricted Areas of the Airport. The limit provisions of commercial automobile liability insurance for Non-Restricted Area in [~~Section A.5.a.i~~] **Section G.1.a** apply to this Contract.

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 8

ARTICLE XXXI – AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PARTICIPATION

The Administration hereby amends **Article XXXI in Exhibit “A”** in the original RFP as follows:

ARTICLE XXXI - AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE(ACDBE) PARTICIPATION

- A. This Contract is a revenue-producing contract awarded to Lessee for the non-exclusive right to redevelop, renovate, lease and manage the retail, restaurant and commercial services at the Airport. Lessee will use Administration’s property. This Contract will result in the provision of services to passengers, patrons and tenants at the Airport. This Contract is outside the scope of State procurement law and State Minority Business Enterprise (MBE) goals. Federal regulations provide guidance on the requirements for the inclusion of ACDBE goals on concessions contracts.
- B. In accordance with federal regulations 49 C.F.R. Part 23, it is the Administration’s obligation to ensure that certified ACDBEs have the opportunity

to compete for available revenues at the Airport. All firms utilized in the Contract by Lessee to meet the ACDBE participation goal must be certified by the Maryland Department of Transportation (MDOT) as ACDBEs. To be counted toward the ACDBE participation goal, MDOT-certified DBE firms will also have to apply to MDOT to obtain the ACDBE designation. ACDBEs must meet the experience and economic guidelines set forth in 49 C.F.R. Part 23 and be certified by MDOT. Individuals who are rebuttably presumed to be socially and economically disadvantaged include women, African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, and Asian-Indian Americans. The Administration has set an ACDBE participation goal of twenty percent (20%) for retail and commercial services and thirty-five (35%) for all restaurant/food service concessions. The firms being utilized to meet these goals are included in Exhibit_____.

- C. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23.
- D. The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in further agreements.
- E. In order to provide a fair opportunity for ACDBE participation, the Administration requires that Lessee make good faith efforts to provide for a level of ACDBE participation in this concession equal to or greater than [~~fifteen~~ percent (15%)] twenty percent (20%) for retail and commercial services, [~~thirty~~

~~percent (30%)~~] **thirty-five percent (35%)** for all restaurant/food service concessions.

- F.** ACDBEs must be certified by MDOT in the North American Industry Classification System (NAICS) codes that cover the type of participation they will be providing on the concession. The ACDBE must perform a commercially useful function. An ACDBE is considered to perform a commercially useful function when it is independently responsible for the execution of a distinct element of the contract work, and carries out its responsibilities by actually performing, managing and supervising the work/operations involved. In light of industry practices and other relevant considerations, the ACDBE must have a necessary and useful role in the business transaction of a nature for which there is a market outside the context of the ACDBE Program.
- G.** Lessee shall take all reasonable and necessary steps to commit to and meet the ACDBE goal and is required to provide documentation demonstrating these efforts if unable to achieve the ACDBE goal.
- H.** If for any reason, Lessee is unable to structure the contract with [~~fifteen percent (15%)~~] **twenty percent (20%)** for retail and commercial service concessions and [~~thirty percent (30%)~~] **thirty-five percent (35%)** for all restaurant/food service concessions ACDBE participation, Lessee may request in writing a waiver to the ACDBE participation goal. Lessee must justify, with sufficient written documentation, its good faith efforts to achieve the ACDBE contract goal.
- I.** The following is a list of efforts that can be made and will be considered a part of Lessee's good faith efforts to meet the contract goal. Please note that this list is not intended to be exhaustive in nature. These items are recommended good faith efforts, but good faith efforts are not limited to this list.

1. Soliciting through all reasonable and available means (e.g. attendance at pre-bid meetings, advertising and/or written notices) the interest of MDOT-certified ACDBEs who have the capability to perform the work of the contract.
2. Selecting portions of the contract to be performed by ACDBEs in order to increase the likelihood that the goal will be achieved.
3. Providing interested ACDBEs with adequate information about the requirements of the contract in a timely manner to assist them in responding to the solicitation.
4. Following up initial solicitations of interest by contacting prospective ACDBEs to determine if they are interested. Detailing the efforts with the names, addresses, dates, and telephone numbers of the prospective ACDBEs contacted.
5. Effectively using the services of available minority/women community organizations; minority/women contractors' groups; local, State and federal M/W/DBE assistance offices and other organizations as appropriate to obtain assistance in identifying ACDBEs.
6. Making efforts to assist interested ACDBES in obtaining bonding, lines of credit, insurance, equipment, supplies materials or other related assistance or services as needed/appropriate.
7. Negotiating in good faith with interested ACDBEs and not rejecting them as being unqualified without sound reasons based on a thorough investigation of their capabilities. Evidence of such negotiations include the names, addresses and telephone numbers of ACDBEs that were considered; a description of the information provided regarding the work and evidence as to why agreements could not be reached for ACDBEs to perform the work.
8. Executed agreements with ACDBE subcontractors or Sublessees, if proposed as a method of achieving participation, must be submitted to the Administration by Lessee within ten (10) business days after award or Sublease execution.

9. If Lessee elects to meet the ACDBE goal through Joint Ventures with MDOT-certified ACDBEs, Lessee or its Sublessees must submit the Joint Venture agreement and evidence of all necessary MDOT ACDBE certifications to Administration. The ACDBE Joint Venture partner must demonstrate in the technical submission that it is independently responsible for the clearly defined work and that it shares in the ownership, control, management responsibilities, risks, and profits of the Joint Venture. The Joint Venture agreement was submitted with the proposal and is incorporated herein.
- J.** Lessee shall take all reasonable and necessary steps to meet the ACDBE goal. To determine compliance with the ACDBE program, the Administration requires that Lessee submit quarterly reports, indicating the participating ACDBE(s), the type(s) of work performed, the value of the work and personnel performing the work. The reports shall be submitted within twenty (20) days after every quarter end during the Contract Term. Annual reports will also be required each Contract Year. Monthly reports will also be required from each ACDBE firm and will be due on the same date as the reports provided by Lessee. The ACDBE participation reports will be reviewed along with the information provided by Lessee to ensure both parties are providing consistent and accurate information about ACDBE participation in the Contract to be awarded. Failure by Lessee to submit requested records on a timely basis to the Administration may result in termination of the Contract. The Administration and its duly authorized representatives shall have the right to audit the quarterly reports with or without prior notice. All such records must be retained by Lessee for a period of three (3) years following Contract completion and will be made available for inspection upon request by the Federal Aviation Administration (FAA), MDOT, or the Administration.
- K.** If Lessee fails to achieve and maintain the level of MDOT-certified ACDBE participation submitted, Lessee shall provide documentation demonstrating that it made good faith efforts, as determined by the Administration, in its attempt to achieve and maintain the required level of MDOT-certified ACDBE participation. The documentation shall include, but not be limited to, correspondence,

advertisements, contacts, and telephone calls to obtain services of MDOT-certified ACDBEs on this Contract. If Lessee fails to reflect a good faith effort to maintain the ~~[fifteen percent (15%)]~~ **twenty percent (20%)** for retail and commercial service concessions and ~~[thirty percent (30%)]~~ **thirty-five percent (35%)** for all restaurant/food service concession level of MDOT-certified ACDBE participation throughout the Contract Term, the Administration may consider this as a material breach of the Contract and may terminate the Contract. Lessee must also obtain the approval of the Administration's Office of Fair Practices before substituting another MDOT-certified ACDBE firm for any MDOT-certified ACDBEs included in the approved ACDBE participation plan and/or making any other changes to the approved ACDBE participation plan.

- L. Lessee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 C.F.R. Part 23.
- M. Lessee agrees to include the above statements in any subsequent concession agreement or contract covered by 49 C.F.R. Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.
- N. The Administration shall notify Lessee in the event that new regulations are issued by the Federal DOT implementing section 511 (h) of the Airport and Airway Improvement Act (AAIA) of 1982, as amended or via changes to 49 CFR Part 23. In the event the new regulations impose new requirements on the Administration related to this Contract, Lessee agrees to use its best efforts to comply with the new requirements.
- O. For purposes of ACDBE goal attainment, the participating certified ACDBEs must be certified with MDOT in the appropriate NAICS Code for each type of goods and/or services they are providing. MDOT assigns the codes and description at the time of certification. Further, the participating ACDBEs must be eligible to participate in the ACDBE program.

- P. Any questions pertaining to certification procedures, eligibility criteria, submittal of Disclosure Affidavits, and obtaining appropriate forms shall be directed in writing to:

**Director, Office of Fair Practices
Maryland Aviation Administration
Third Floor, Terminal Building
P.O. Box 8766
BWI Airport MD 21240-0766
Telephone: (410) 859-7009**

OR

**Director, Office of Minority Business Enterprise
Maryland Department of Transportation
7201 Corporate Center Drive
P.O. Box 548
Hanover MD 21076
Telephone: (800) 544-6056**

EXHIBIT “A” - SAMPLE CONTRACT REPLACEMENT No. 9

ARTICLE XXXVIII - FINES

The Administration hereby amends **Article XXXVIII.F in Exhibit “A”** in the original RFP as follows:

- F. Administration may determine if a violation of this Contract has occurred and may impose the following fines:

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	Violation	Fine
1	Lessee fails to obtain any necessary permits and approvals per Article VI.B.1	\$1,000 per day
2	Failure to observe hours of service; Article VIII.C.4	\$250 per each occurrence
3	Failure to observe Concession Pricing Policy; Article VIII.C.4	\$250 per day
4	Failure to observe Concession Signage Policy; Article VIII.C.5	\$250 per occurrence
5	Failure to observe Waste Disposal and Recycling Requirements; Article VIII.C.6	\$500 per day
6	Failure to operate and maintain Kitchen Exhaust & Grease Trap Systems; Articles VIII.C.7 and VIII.C.9.1	\$500 per occurrence
7	Failure to respond to customer complaints within five (5) days; Article VIII.C.9.f	\$100 per day
8	Failure to observe Delivery and Distribution Rules and Regulations; Article VIII.C.9.j	\$500 per occurrence
9	Failure to maintain or cause to maintain annual training of Sublessee personnel in food service and food safety training, hospitality and/or customer service; Article VIII.C.9.r	\$250 per employee per occurrence
10	Failure to return Airport security badges; Article VIII.C.9.t	\$350 for every 10 unreturned badges
11	Failure to observe minimum quality assurance performance standards as outlined in Article VIII.E	<u>\$250 per day for second violation and \$400 per day for third</u>
12	Failure to comply with reporting and record keeping requirements; Article XVI	\$100 each violation per day
13	Unauthorized alterations to the Leased Premises; Article X	\$1000 per day
14	Failure to maintain insurance; Article XXV	\$500 per day
15	Failure to maintain ACDBE participation; Article XXX	\$350 per day and/or default

The following are changes to Exhibit “G” the Draft Sample Lease and Concession Contract for the Logistics Provider:

EXHIBIT “G” - SAMPLE LOGISTICS PROVIDER CONTRACT REPLACEMENT No. 1

ARTICLE XV – LEASE AND CONCESSION CONTRACT PAYMENT

The Administration hereby amends **Article XV.A in Exhibit “G”** in the original RFP as follows:

ARTICLE XV – LEASE AND CONCESSION CONTRACT PAYMENT

In consideration of the Contract rights and privileges to be granted to Contractor by the Administration, Contractor shall pay to the Administration a Minimum Monthly Concession Fee as stated in Section A of this Article **AND** a Percentage Concession Fee in Section B of this Article on a monthly basis. The Minimum Monthly Concession Fee in Section A shall be paid on or before the first day of each calendar month.

A. Contractor shall pay to Administration a **Minimum Monthly Concession Fee** in the amount of ~~[Thirty Six Thousand, Ninety Six Dollars and Seventy Nine Cents (US\$36,096.79)]~~, calculated as the sum of an annual Land Rental Fee and an annual Facility Rental Fee, **on a monthly basis**, as more particularly described below:

1. The **Land Rental Fee** of ~~[Thirty Four Thousand Six Hundred Seventy Seven Dollars and Eighty Cents (US\$34,677.80)]~~ **per annum** is based upon land rental rate of ~~[\$0.7982]~~ per square foot per annum for 43,445 square feet of land area identified on Exhibit “A” attached hereto. The land rental rate is based upon a fair market value analysis conducted by an experienced independent appraiser and

member of the American Institute of Real Estate Appraisers and adjusted in accordance with Article XV.A.3.

2. The **Facility Rental Fee** of [~~Three Hundred Ninety Eight Thousand, Four Hundred Eighty Three Dollars and Sixty Five Cents (US\$398,483.65)~~] per **annum** is based upon a rate of [~~\$16.101~~] per square foot per annum for 24,749 square feet of the CRDF identified on Exhibit “A.” The facility rental rate is based upon a fair market value analysis conducted by an experienced independent appraiser and member of the American Institute of Real Estate Appraisers and adjusted annually in accordance with Article XV.A.3.
3. The Land Rental and Facility Rental Fee set forth in Article XV.A.1 and Article XV.A.2 above shall be adjusted **every five (5) years at the same rate as any percentage increase** [~~annually by the greater of 3% or the change during the most recent twelve (12) months~~] in the Consumer Price Index (CPI) for All Items in Washington—Arlington—Alexandria, DC-VA-MD-WV, Urban Wage Earners and Clerical Workers, Not Seasonally Adjusted. The Bureau of Labor Statistics Series ID for this index is CWURS35ASA0. If the Bureau of Labor Statistics ceases to publish this index, a similar index will be used.

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