

Approval of Proposer Rankings and Authorization to Negotiate and Execute Concession Agreements for the San José Mineta International Airport Retail Concession Program

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Item # 5.1

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Retail Concession RFP Goals and Objectives (abridged)

- 1. Highly experienced retail operators with a proven record of success in:
 - Exceptional customer service
 - Top-quality goods
 - Convenient experiences
- 2. Incorporate technology and innovative concepts to expand offerings
- 3. Create a distinctive San José and Silicon Valley experience for passengers and Airport users that capture the region's unique identity.
- 4. Optimize retail revenue generation



Extensive Outreach

RETAIL OPPORTUNITIES

San José Minority Business Development Agency

Various Business and Ethnic Chambers

Airport Minority Advisory Council

Airport Council International

FAA Matchmaker System

Small Business Development Center

Social media campaign achieved 20,097 impressions and 1,143 engagements

Outreach at 3 different Industry Conferences

Outreach sessions on May 22 and 23, 2024

Package I: Hudson

• ACDBE Participation: 15%

• Capital Investment: \$7,252,253

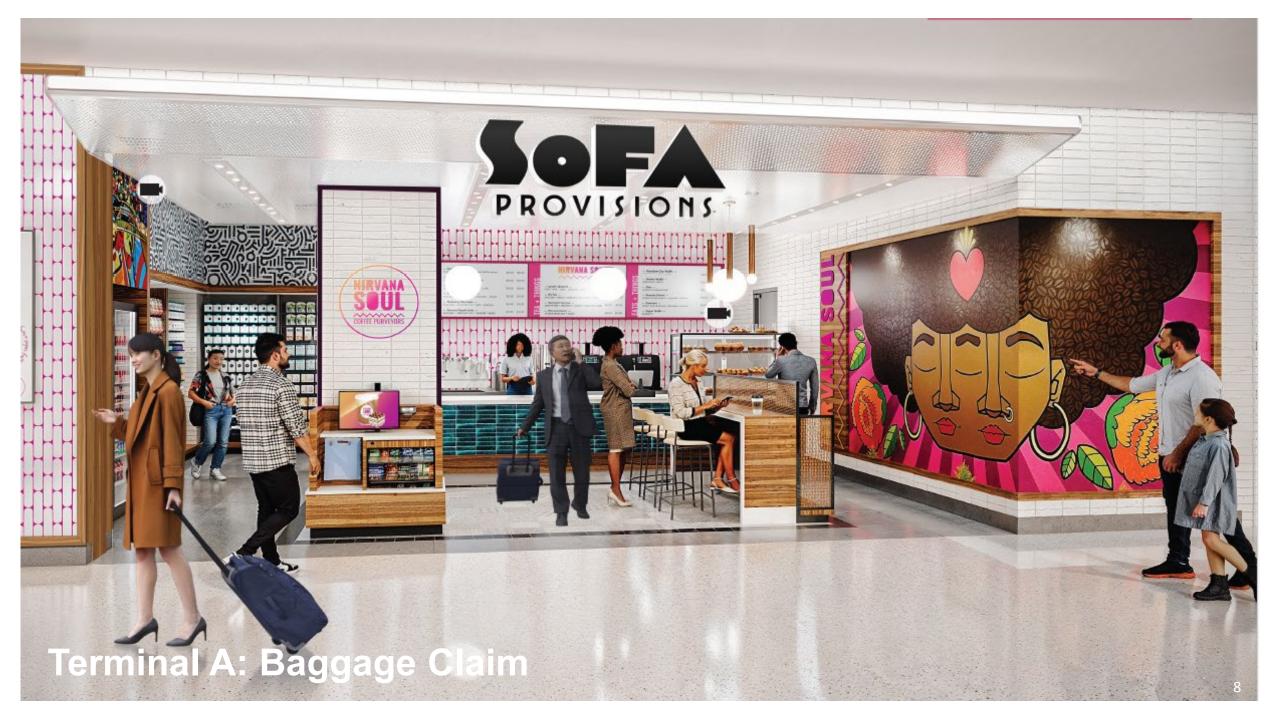
• **MAG**: \$2,096,779

• Percentage Rent: 21% on all products, 18% on locally made products















Package II: Paradies Lagardére

• ACDBE Participation: 12%

• Capital Investment: \$9,650,349

• **MAG**: \$2,746,246

• Percentage Rent: 19% on all products, 16% on locally made products







HIP&HUMBLE









Airport Concession Disadvantaged Business Enterprise (ACDBE) Participation



PROJECTED INCREASE IN ACDBE PARTICIPATION: 47%





CURRENT RETAIL ACDBE PARTICIPATION: 9%

NEW RETAIL ACDBE PARTICIPATION: 13%



Airport Concession Disadvantaged Business Enterprise (ACDBE) Participation













Oaklandish



Supporting Local

- All grab and go locally sourced from Santa Clara County
 - Hudson- Eataly
 - Paradies- Greenlee's
- Unsold grab-and-go donated to Loaves & Fishes Family Kitchen of San Jose
- Representing:
 - Professional and local collegian sports teams
 - Local tech companies including Apple and Google
 - Over 50 local businesses
- Bi-Annual Outreach Opportunities



SHOP LOCAL

HEADLINERS

floral a jar of pickles





dear handmade life



54 THRONES®



BOOKSHOP SANTA CRUZ



DANDELION CHOCOLATE CHARLOTTE **TRUFFLES**



































Alice's Stick Cookies



Daybreak Vietnamese Coffee



Greenlee's Bakery



Naturacentric Apothecary



Nokki Farm



Idlewild Floral



Mike & Niki's Honey Co.



Clif's Family Chocolates



Gooseberry Designs



Sweetdragon Baking Co.



The Capsmith



Culture Hot Sauce



Love & Light Napa Valley



Ginger Lab



Overall Results:

- 12 new concepts
- 12-year minimum revenue to the airport: \$47.3 million
- Average percentage rent of 19.3%
- Minimum capital investment: \$17 million
- Integrated technology
- Increased local participation: 50+ businesses
- ACDBE retail participation increases by almost 50%

Recommendation of Award

- Package I: HG SJC Retail Concessionaires, LLC (Hudson)
- Package II: Paradies Lagardére @SJC Retail, LLC

