



## **REQUEST FOR PROPOSALS**

for

# **Retail Market, Deli, and/or Other Related Retail Services**

at

**Trailer Boat Launch Building  
3915 Avila Beach Drive  
Port San Luis Harbor District**

Opening Date

**November 18, 2024**

Closing Date

**January 23, 2025 at 3:00 p.m. (PST)**

Port San Luis Harbor District  
3950 Avila Beach Dr.  
P.O. Box 249  
Avila Beach, CA 93424

## NOTICE OF REQUEST FOR PROPOSALS

Notice is hereby given that the Port San Luis Harbor District is accepting proposals to develop, equip, operate, and maintain a retail market, deli, and/or other related retail services.

RFP Name:	Trailer Boat Launch Building
Proposal Closing Time & Date:	3:00 p.m. (PST) on January 23, 2025
Proposal Submission Location:	Port San Luis Harbor District 3950 Avila Beach Dr. P.O. Box 249 Avila Beach, CA 93424
Agreement Term:	To be negotiated-Proposal should include requested term of 5 years with a maximum of one 5-year extension. Term of lease will be commensurate with financial investment in tenant improvements.
Minimum Monthly Rent Bid:	<p>The proposal must include Minimum Monthly Rent plus percentage rent and a schedule for annual increases in rent.</p> <p>For proposals that are predominately for a Market, the minimum base and percentage rent is as follows:</p> <ul style="list-style-type: none"> <li>• Base Rent: no less than \$16,980 per year. Base Rent may adjust based on high and low seasons.</li> <li>• Percentage Rent: no less than 7%</li> </ul> <p>For proposals that are predominately for a Restaurant, the minimum base and percentage rent is as follows:</p> <ul style="list-style-type: none"> <li>• Base Rent: TBD through negotiations. Base Rent may adjust based on high and low seasons</li> <li>• Percentage Rent: <ul style="list-style-type: none"> <li>○ Food: no less than 4%</li> <li>○ Alcohol: no less than 6%</li> </ul> </li> </ul>
Non-refundable submission fee (due at time of proposal submission):	\$337.00 Cashier's check or Bank Letter of Credit. If your business or organization meets the definition of "coastal dependent use" your non-refundable application fee is discounted to \$201.
Proposer's Minimum Years of Relevant Experience:	Three (3) or more years of continuous experience within the last five (5) years in the ownership, management, or operation of retail/and or food and beverage concessions.
Optional Pre-Proposal Meeting:	December 4, 2024 (PST) at Trailer Boat Launch Building <i>3915 Avila Beach Dr., Avila Beach, CA</i>
Last date for proposers to submit written questions	January 10, 2024 – 3:00 p.m. (PST)

For more information or to download a copy of the complete RFP, contact Suzanne Aguirre, Business Manager, at [suzannea@portsanluis.com](mailto:suzannea@portsanluis.com) or visit the Web site at [www.portsanluis.com](http://www.portsanluis.com).

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## SECTION 1 - SUMMARY

### 1.1 GOAL & OBJECTIVES

#### Goal of this Request for Proposals (RFP)

The goal of this RFP is to award Lease Agreements to a business entity or entities that will equip, operate, and maintain a business that meets the objectives as outlined below. The leased space is currently being operated as a retail market, including soft serve ice cream and coffee.

#### Objectives of this RFP

- To provide a profitable enterprise opportunity for the selected lessee and the Harbor District.
- To provide goods, food, beverages, that service the needs of District patrons at reasonable prices.
- To operate a retail market, deli, and/or other related retail services in a manner that will maximize rental income to the District.
- To assure public accessibility to coastal dependent and related services conforming to the following San Luis Obispo County General Plan (San Luis Bay Coastal Area Plan):

**Limitation on Use at Harford Landing.** Allow uses and developments on Harford Landing that are supportive of coastal dependent, coastal related, or visitor uses for Harford Pier and San Luis Obispo Bay waterfront. Permitted uses on Harford Landing shall include public parking, commercial and recreational fishing support facilities, support facilities, retail and wholesale seafood sales, boat repair, fuel storage and handling, eating and drinking establishments, yachting and rowing clubs, boat rental, boat storage and launching facilities, sportfishing, sightseeing facilities, boat engine repair and sales, marine supply, aquaculture and mariculture support facilities, overlooks, paths, trails, transit station (shuttle stop) visitor center, educational and historic displays and exhibits, passive recreation, food and beverage retail sales, marine related merchandise sales, outdoor seasonal sales and retail events, Harbor Offices, public safety facilities, accessory storage, temporary events, restrooms, and showers.

The complete San Luis Bay Coastal Area Plan is available on the County of San Luis Obispo website:

[www.slocounty.ca.gov/planning/General\\_Plan\\_Ordinances\\_and\\_Elements/Area\\_Plans.htm](http://www.slocounty.ca.gov/planning/General_Plan_Ordinances_and_Elements/Area_Plans.htm).

In addition, the Port San Luis Harbor District Master Plan has been incorporated into the San Luis Bay Coastal Area Plan and is available on the District's website: <http://www.portsanluis.com/2149/Master-Plan>

- To assure the use meets the grant requirements as stated in the Standard Agreement with the State of California Department of Boating and Waterways:

The Project and all other improvements constructed or placed in the Project Area shall be operated solely as a recreational boat launching facility. The Project Area shall be open and accessible for the use and enjoyment by the general public on equal and reasonable terms. Concession agreements of a short-term duration (five years or less) are preferred, with renewal based upon performance reviews by both the local governmental agency and the Department. Any concession agreement for operation and maintenance of greater than five years shall require the concessionaire to make a capital investment, acceptable to the Department, in the Project Area.

***District reserves the right to reject all proposals and/or determine lease start date should a proposal be accepted.***

## **1.2 GENERAL INFORMATION – Port San Luis Harbor District**



Port San Luis Harbor District (District) is in the beautiful Central Coast of California surrounded by the towns of Avila Beach, Shell Beach, Pismo Beach, Arroyo Grande, Grover Beach, Nipomo, Oceano, and San Luis Obispo. Port San Luis Harbor is one of two protected harbors in San Luis Obispo County and provides a variety of recreational and commercial activities.

The importance of the harbor was recognized by the local community in 1954, when a vote of the people created a Special District to improve, control and manage the harbor area. The District is a sub-division of the State of California authorized under the Harbors

& Navigation Code Sections 6000 et seq. The District has a Harbor Commission of five elected officials who appoint a Harbor Manager to administer and manage the business of the District. The District employs a full-time staff of approximately 26 people to provide services and maintain property.

The District's current operations involve the ownership, operation and maintenance of commercial, recreational and industrial portions of Port San Luis Harbor, including Avila and Harford Piers, RV camping, and roughly 1.5 miles of beaches and approximately 62 acres of land.

### Site Description



The site available for lease is one of three businesses located within the Trailer Boat Launch building. Previous operations at this location were a retail market, deli, and bar. A non-exclusive patio/ADA walkway is currently within a dedicated public access area which Respondent may use but must make available to the public and not encroach on the uses already established by the two adjacent lessees or the pathway utilized by the general public.

In addition to, the current tenant performed significant improvements to the site, this includes, floor replacement, new paint, new lighting, constructed walls to separate the walkway and the stepdown, added 220 outlets, new toilet, new water heater, new slate wall floor dividers, bar and seating, awnings, and two soundproof wooden pillars to reduce the steel hoist structure.

## Mermaid Market, Established 2020



The two adjacent businesses to this lease site are the Avila Beach Paddlesports and the Port San Luis Sport Launch/Boat Yard. Avila Beach Paddlesports offers rentals of kayaks, paddleboards as well as offers lessons and tours year-round and the Port San Luis Sport Launch/Boatyard, provides launching services to vessels, seven days a week, from 5:30 am to 4:00 pm, as well as services the boat yard patrons.

It shall be the sole responsibility of the successful Respondent to investigate and determine conditions of the lease site, including but not limited to existing and planned utility connections, and the suitability of such conditions for the improvements to be constructed by the tenant. The information provided in this RFP and in any other report or other information provided by the District is provided solely for the interested parties. It is the responsibility of interested parties to assure themselves that the information contained in this RFP or other documents is accurate and complete for its intended purpose. The District or its advisors provide no representations, assurances, or warranties pertaining to the accuracy of such information.

### Existing Business Partners of Port San Luis Harbor District

- The District entered a long-term, 50-year Development and Lease Agreement for a camping facility at the site known as Flying Flags which includes camping RV, cabins, tent, and walk-in camping sites and 48,000 additional square feet of

public parking. Annually, the usage for Flying Flags averages 80% capacity, and specifically between May-September are at full capacity.

- The District currently operates RV Camping, with 9 spots located in Harford Landing, with a total of 14 RV Camping sites located within walking distance to Harford Landing.
- Currently, there is one restaurant on Harford Pier, Mersea's, which offers local food fair and full bar; Mersea's is successful year-round with a lease that can remain in effect for 25 years.
- There is one sport fishing business that is located on the Harford Pier: Patriot Sportfishing which has been doing continuous business in the Harbor for several years and continues to be a staple for the Harbor.
- On Harford Landing there is a restaurant currently leased to Fat Cats Café; the District's main office; the District's Coastal Gateway Building that includes a meeting room, showers, laundry and public restrooms; and Trailer Boat and Boat Yard operations.
- There is a large main parking lot available to the public at the Harford Landing with approximately 241 spaces. During periods of heavy fishing activity and during the summer months, there may be limitations but the addition of public parking at Flying Flags has offset parking in the Landing.
- Since the 1800s, Avila Beach has been a visitor serving destination even after being extensively rebuilt because of underground oil contamination in 2001. According to the County Tax Collector, Avila collects the third most Transient Occupancy Tax (TOT) of the 19 unincorporated communities in the county.

### **1.3 LEASE AGREEMENT SUMMARY**

**At a minimum, the successful proposer may be required to:**

1. Provide tenant improvements (if deemed necessary), equip, operate, and maintain a business as proposed.
2. Maintain the required hours of operation as presented in the proposal. Pay minimum Annual Rent in the amount presented in the proposal, plus percentage rent as presented in the proposal or as may be negotiated.
3. If deemed necessary by the tenant, provide plans for tenant Improvements including concept drawings, Start-Up Plan, Operation Plan and a Maintenance Plan as specified in Proposal Instructions and clearly demonstrate the proposer's plan to provide fully accessible services and facilities that comply with Americans with Disability Act (ADA) guidelines. The plans may become part of the Lease Agreement subject to District review and approval.
4. Maintain the premises, facilities, furnishings, and equipment in good condition in accordance with District standards and Lease Agreement provisions. Pay for all taxes applicable to the operation of the business, including Possessory Interest taxes, and all utility services in accordance with Lease Agreement provisions.
5. Provide certificates of insurance in accordance with Lease Agreement provisions.

6. Obtain all necessary licenses, permits, and approvals as set forth in the Lease Agreement and abide by all applicable health, safety, building and environmental codes and regulations.
7. Provide thorough documentation showing the proposed use and modifications meet or exceed the requirements of all applicable health, safety, building and environmental codes and regulations.
8. Comply with the letter and spirit of current and subsequent guidelines or plans, including Master Plan amendments or updates, Division of Boating and Water Ways grant requirements, management and interpretive plans, historic structure reports, and others.
9. Demonstrate compliance with labor laws as specified in paragraph 3.1 of this RFP.

**The successful proposer will not:**

1. Provide or sell items or services considered inappropriate, deemed objectionable, or denied by the District.
2. Promote or participate in activities that are incompatible with the rules, regulations, ordinances, guidelines or mission of the District.

#### **1.4 SUMMARY OF KEY LEASE TERMS**

This Section briefly describes key lease terms sought by the District. In its submittal, Respondents must indicate acceptance of these Key Lease Terms and make a lease proposal that is consistent with these Key Lease Terms. The final lease terms will be negotiated by District staff and are subject to final approval by the Harbor Commission. *The District's Lease Agreement Template is the template utilized by the District and may contain items or sections not applicable to the lease site identified in this RFP.*

#### **KEY LEASE TERMS:**

##### **Permitted Use**

The permitted use under the Lease is the operation of a retail market, deli, and other related retail services, open at least 6 days per week.

##### **Premises**

Approximately 1,064 square feet of retail space.

##### **Rent**

Monthly rent shall be the greater of base rent or a percentage of gross revenue:

For proposals that are predominately for a Market, the minimum base and percentage rent is as follows:

- Base Rent: no less than \$16,980 per year
- Percentage Rent: no less than 7%

For proposals that are predominately for a Restaurant, the minimum base and percentage rent is as follows:

- Base Rent: TBD through negotiations
- Percentage Rent:
  - Food: no less than 4%
  - Alcohol: no less than 6%

### **Term**

The initial term of the lease is five (5) years with an option to extend two (2) five (5) years terms, exercisable at the District's discretion and upon approval of the DBW. The initial term will commence immediately upon full execution of the Lease.

### **Capital Investment**

Proposals must include a description of proposed tenant improvements and the anticipated level of proposed capital investment. The minimum capital investment must be sufficient to complete all improvements and address required code upgrades, ADA requirements, furnishings, fixture, equipment, etc., and provide an appealing design for the proposed concept.

### **Utilities**

Tenant shall be responsible for cost of all utilities at the site. the Premises.

### **Parking**

There is no parking included in the lease for employees or patrons. Parking may be reduced, interrupted, modified, regulated and the District shall have not liability, therefore.

### **Restrictions Upon Use**

Restrictions as outlined and defined in the lease template, items a – q, Section II, A.3

### **Assignment/Transfer & Sublease**

The tenant's transfer/assignment of all or any portion of the premises or improvements constructed thereon may not occur without the prior written consent of the District, which consent may be granted or withheld in District's reasonable discretion.

The tenant is strictly prohibited from sub-letting.

### **Maintenance/Repairs**

During the term of the Lease, the tenant shall be responsible for all improvements, maintenance, repairs and operating expenses associated with the lease site.

### **Possessory Interest and Other Taxes**

The tenant will be required to pay possessory interest taxes on the assessed value of the leasehold interest. Respondents may contact the San Luis Obispo County Assessor's officer for more information on how this tax will be calculated. The tenant also will be required to pay other applicable taxes, including sales and payroll taxes.

### **Security Deposit**

A security deposit in the form of cash will be required in the amount to first and last month's base rent.

### **Insurance and Bond Requirements**

Throughout the term of the Lease, the Tenant will be required to maintain insurance typical for the construction and operation of a retail market and/or retail market/deli in amounts and with limits determined appropriate by the District and with carriers acceptable to the District. Insurance will include but is not limited to comprehensive general liability; workers' compensation; property insurance on the Premises; automobile liability; personal property; business interruption; builder's risk; a policy endorsement in a form acceptable to District; and any other insurance required by law. The District must be named as additional insured.

The tenant will be required to furnish the District with a performance and completion bond by a responsible surety company licensed to do business in California and satisfactory to the District. Such a bond shall guarantee completion of any improvements proposed to be constructed at the site, in an amount not less than 110% of the estimated cost of construction.

### **Lease Agreement Template**

The successful Respondent will be required to enter a lease to be negotiated by the District and Respondent during the period of exclusive negotiations. A copy of the District's standard form retail Lease is attached hereto as Attachment 4(the "Lease Agreement Template") as an example. However, the final Lease may be different in order to: a) reflect the business terms negotiated between the successful Respondent and the District; b) incorporate any State, County, or District requirements after the drafting of the Template of Lease; c) provisions stated in Template of Lease are not applicable to the lease site; d) incorporate any other provisions desired by the Commission or negotiated by the parties.

## **SECTION 2 - THE RFP PROCESS**

### **2.1 PROPOSAL PROCESS**

Based on a review of the proposals submitted, the Selection Team will prepare a report summarizing the rating results. The report will be presented to the District's Harbor Commission for approval. After approval by the Harbor Commission, a final lease agreement will be negotiated. The final negotiated Lease Agreement will be presented to the Harbor Commission for final approval and will not become binding until such approval is given.

#### **Tentative Proposal Dates**

November 18, 2024.....	Release Date – Publication of RFP
December 4, 2024 - 10:00 a.m.....	Optional Pre-proposal meeting and site visit
January 10, 2025 - 4:30 p.m .....	Questions - Last date for proposers to submit written questions
January 17, 2025.....	Answers to Questions posted on District website
January 23, 2025 4:30 p.m.....	Closing Date - Deadline for proposal submission
January 27, 2025 to	
February 6, 2025.....	Investigation and evaluation of Proposals by Selection Team and Interview of Finalists
February 13, 2025.....	Convene Property Committee to review evaluation results
February 25, 2025.....	Harbor Commission meeting to consider recommended finalist
February 26, 2025.....	Staff begins process to negotiate Lease Agreements with finalists
March 25, 2025 .....	Lease Agreements approved by Board of Commissioners

**Note:** This schedule does not consider unforeseen factors that could impact the timing of the project. It is the intent of the District to keep proposers apprised of changes in the schedule as they occur. The District is motivated to expedite the process after the closing of this RFP. Should the award of the lease agreement be protested, additional time will be required to resolve the matter.

#### **RFP Content Questions and Communications**

Beginning on the date this RFP is issued and made available to prospective Respondents, there will be no communications concerning this RFP between members of the District Harbor Commission or District staff and prospective Respondents and their employees or agents, except as provided herein. Questions regarding this RFP must be submitted in writing and received no later than 4:30 p.m. on January 10, 2025.

To ensure fair competition in which all proposers receive the same information and materials, no telephone or personal inquiries about this RFP will be answered. Questions are to be submitted in writing to the District by mail, email or fax at the address and phone number listed below. A written compilation of all questions and answers, and any RFP addenda, will be posted on the District website. Questions will be answered as clearly and completely as possible without jeopardizing the competitiveness of the proposals. Any violations of the above restriction will result in the immediate disqualification of the Respondent involved from further participation in the RFP process. This restriction will end when contract award notification has been made.

Proposers should send their questions addressed to:

Port San Luis Harbor District  
Attn: Suzanne Aguirre, Business Manager  
P.O. Box 249  
Avila Beach, CA 93424  
Fax: 805-595-5404  
Email: [suzannea@portsanluis.com](mailto:suzannea@portsanluis.com)

### **Proposal Submission**

Your proposal, including the Proposal Deposit, must be received in the main office of the Port San Luis Harbor District by 4:30 p.m. on January 23, 2025 at:

Port San Luis Harbor District  
3950 Avila Beach Dr.  
P.O. Box 249  
Avila Beach, CA 93424

Postmarks, faxes, and emails will not be accepted. Responses to this invitation that are not received by the time and date specified and are not accompanied by the appropriate application fee shall be deemed non-responsive and rejected without consideration. The Board of Commissioners of the Port San Luis Harbor District reserves the right to reject any and all proposals.

### **Proposal Format & Content**

The proposal package must be sealed and clearly marked on the outside with "Proposal for Trailer Boat Launch Building Market/Deli." Submit an **unbound original plus five (5) copies** of your proposal on 8.5" x 11" paper. Please also submit an electronic copy on a USB flash drive in PDF format.

### **Commitment Fee**

The successful Proposal shall be required to provide a cashier's check or a Bank Letter of Credit for \$5,000, which fee shall become non-refundable upon execution of the Lease Agreement and shall be used to offset District costs incurred during development of the agreement. All cash fees and Letters of Credit will be returned in full to those Proposers not selected to enter into a final Lease Agreement within 14 days following award of the lease or rejection of the Proposal

The Proposal Deposit must be valid for a minimum of **six (6) months** after the Submittal Deadline.

## **Confidentiality of Proposals**

All proposals submitted in response to an RFP become the property of the District and are subject to the requirements of the California Public Records Act (California Government Code Section 6250 et seq.). Personal financial information is exempt from disclosure under the Public Records Act and will be kept confidential.

Proposal submissions will be public records and will be available for review by the public when the Property Committee agenda, that includes an item to consider the recommended finalist, is published.

## **Withdrawal of Proposals**

Proposals may be withdrawn at any time prior to the proposal closing date and time provided that a written request executed by the proposer or his/her duly authorized representative for the withdrawal of such proposal is filed with the District. The withdrawal of a proposal shall not prejudice the right of a proposer to file a new proposal prior to the proposal closing date and time. However, once the proposal closing date and time has passed, proposals shall be irrevocable.

No proposal may be withdrawn after it has been submitted to the District without forfeiture of the Proposal Deposit, unless the proposer so requests in writing and such request is received prior to the Proposal Closing Date.

## **2.2 EVALUATION PROCESS**

This is not a bid solicitation, and the District is not obligated to accept any proposal or to negotiate with any Proposer. The District reserves the right to reject any or all proposals or to terminate negotiations, without liability. All transactions are subject to final approval by the District. All costs associated with the preparation of a response to this Request for Proposals are the sole responsibility of the Proposer.

### **Verification of Proposal Information**

The District may obtain credit reports and verify tax form information to further establish the qualifications of any proposer. All proposers may be subject to a personal interview and inspection of his/her business premises prior to award. Proposers should notify bank and business references in writing that a representative from the District may be contacting them concerning the financial and credit information furnished in the proposal.

### **Supplemental Information**

At its sole discretion, the District reserves the right, but does not have the obligation, to seek supplementary information or clarification from any proposer at any time between the dates of proposal submission/acceptance and the lease agreement award. The District may make background inquiries to further establish the qualifications of any proposer. Any proposer may be required to appear before the Property Committee and/or the Board of Commissioners.

### **Proposal Evaluation**

All proposals received shall be evaluated for form and content in accordance with the requirements of this RFP. **Proposals not containing all the items required in section 3.1 of this RFP may be rejected.**

## **Process**

District staff will conduct a preliminary scoring of Phase I and Phase II (pass/fail) of each proposal as detailed in Section 3.3 Proposal Evaluation Sheet.

District staff will present the Phase I and Phase II results to the Selection Team. The Selection Team will review and approve the Phase I and Phase II results.

The Selection Team will then score Phase III.

The Selection Team will review the content of the proposals. This review will be based on the scoring system as outlined in the RFP. Based on the results of Phases I, II and III, the Selection Team will forward (first to the Property Committee (for review) and then to the Harbor Commission) a synopsis of all responsive proposals received and will make a recommendation to the Harbor Commission of whether and to whom a contract should be awarded.

At a subsequent public meeting of the Harbor Commission, the Selection Team shall report their findings and recommendation to the Harbor Commission. The Commission may elect to:

1. Award the contract based on the recommendation of the Selection Team and direct staff to draft a contract for Commission approval and authorization to execute.
2. Award the contract to another, equally qualified respondent to the RFP and direct staff to draft a contract for Commission approval and authorization to execute.
3. Reject all proposals received and issue an additional Request for Proposals
4. Terminate the process.

The Harbor Commission must approve the final negotiated Lease Agreement before the agreement becomes binding.

## **Protest of Award**

When a contract more than two years is proposed to be let at public bid (or RFP), any proposer protesting or objecting to the same, or desiring to protest or object, may file within ten days of the publishing of the agenda relating to this matter, setting forth his/her objections, the reasons therefor, and points and authorities in support thereof. Failure to file a verified petition within the ten-day period shall constitute a waiver of the right to protest. Protests must be sent to:

Harbor Commissioners  
Port San Luis Harbor District  
P.O. Box 249  
Avila Beach, CA 93424

## **2.3 LEASE EXECUTION**

### **Preparation of Lease Agreement**

The District may negotiate a final Lease Agreement for execution. The Lease Agreement may contain "exhibits" developed from the selected proposal including the proposal's Tenant Improvement Plan, Start-up Plan, Operation Plan and Maintenance Plan as required.

### **Failure to Sign/Deliver Lease Agreement**

A failure of the successful proposer to sign and deliver a Lease Agreement within thirty (30) days after final approval by the Harbor Commission may be treated as a refusal to execute, if the District so elects. The District will retain any portion of the Commitment Fee which has been expended.

## **SECTION 3 - THE PROPOSAL**

### **3.1 INSTRUCTIONS FOR THE PROPOSAL**

The submission of a proposal shall be deemed evidence that the proposer is fully aware of the responsibilities of being a lessee and has carefully examined state laws relating to businesses; Possessory interest tax as related to leases; the site(s) selected for said business; obligations and responsibilities related to local control agencies and permitting requirements; and the proposal instructions, proposal form, and the Lease Agreement template included herein.

The response to this Request for Proposals should be full and complete and provide detailed information about the proposed operation. The District's ability to evaluate your proposal will be limited by the nature and extent of information you provide. The District reserves the right to waive any defects within any proposal or to request clarification or additional information from any applicant. The District expects that each proposal will follow the format provided in this paragraph as summarized below. The proposal should include at least the following:

#### **I. PROPOSAL SUMMARY**

The Proposal Summary should include a mission statement for the proposed business that supports the District's goals and objectives stated in Section 1. In addition, a summary of relevant experience, knowledge, and expertise as well as a summarization of the Tenant Improvement Plan, Start-up Plan, Operation Plan and Maintenance Plan should be included.

#### **PROPOSER INFORMATION**

Port San Luis Harbor District needs to determine the financial capability of each Proposer and its principals. In this regard, the District needs to ensure that the Proposer will have sufficient resources to operate the business. The District recognizes that the Proposer may not have, yet formed a legal entity; nonetheless, it will be necessary for the Proposer to supply sufficient financial information so that a proper evaluation may be made. If sufficient information is not supplied, the District cannot make a reasoned determination, and this may impact our ability to fully evaluate each proposal.

As such, the District is asking each Proposer to provide, at a minimum, the following information: *NOTE: All submitted financials, financial documents, etc., are property of the District and will be subject to review by District Management, District Treasurer, and District financial consultant for assessment. All documents related to the section below are to be submitted at the time of proposal submission as instructed in Section 2.1.*

a. Principals

- 1) Proposed general/operating partner(s) and list of all proposed equity (non-operating) partners, whether individuals or separate legal entities, together with proposed equity percentage of each.
- 2) Description of the proposed entity (e.g., dba, general partnership, limited partnership, LLC, corporation, etc.). *A Personal Guarantee will be required for any entity doing business with the District.*

b. Financial

- 1) Current financial statements (including, but not limited to balance sheets and income statements for 2021, 2022, 2023) of the proposed entity, general/operating partner(s), as well as for all proposed equity partners. This information should include a statement of explanation regarding any balance sheet items that indicated negative equity.
  - i. For entities that are new or newly formed (less than two years), personal financial statements of the owner(s) of the entity must be submitted, per the guidelines listed above.
- 2) Tax returns for proposed entity, general/operating partner(s) and all proposed equity (non-operating) partners, whether individuals or separate legal entities.
- 3) Letters from lending institutions indicating:
  - Prior business relationships with the general/operating partners.
  - Credit facility available to the general/operating partners.
  - List of any defaulted loans (whether the event of default is technical or monetary in nature) for which the subject general/operating partner(s) is a responsible party.
  - List of any loans that are subject to forbearance agreements or recent modification, or that are currently the subject of forbearance and/or modification negotiations. This should include any loans to any entity in which the general/operating partner is a principal.
- 4) Litigation history over the past 10 years — including actions that have been brought against the general/operating partner(s), as well as actions that the general/operating partners have brought against other parties — and the ultimate disposition of such actions (or current status if not yet disposed of).
- 5) Filed for bankruptcy over the past 10 years.
- 6) Names, addresses and phone number of references (such as

accountants, attorneys, etc.) that the District may contact to obtain additional information on your financial background.

c. Experience

- 1) Detailed information on the general/operating partner's specific experience as it relates to the proposed business.
- 2) Please provide a minimum of three (3) reference letters from non-affiliated organizations on their company letterhead. Each reference letter must have been dated within the past twelve (12) months and must include information **directly related** to Respondent's management or ownership experience in the proposed business and/or existing business
- 3) Completion of Attachment 6, Lease/License History.

## II. **PROPOSAL INFORMATION**

Provide a Tenant Improvement Plan, Start-up Plan, Operation Plan and Maintenance Plan. For additional information, each required element of the Proposal is described in detail below. You may submit additional information to enhance your proposal. As a condition of the award, the successful proposer may be required to revise or further develop the Plans to the satisfaction of the District and prior to the execution of the lease agreement. If and when the plans are accepted, the final plans may be incorporated as an exhibit to the Lease Agreement and become an obligation of the lessee thereunder.

### **A. Tenant Improvement Plan.**

Present estimated cost, name of preferred licensed contractor, drawings of proposed tenant improvements, and estimated time to complete. The information should take into consideration required building permits and ADA access. Plans for improvements which are slightly different than the area shown on Exhibit 1 Site Plan will be considered if a valid reason accompanies the plan. For example, proposing that the wall move a few inches to either side to accommodate the location of an existing window.

### **B. Start-Up Plan.**

Describe the intended physical facilities of the business including historic characterizations, environment, uniforms, décor, signs, wall treatment, advertising, window coverings, equipment, tools, display shelves, counters, tables, and chairs. Implementation of proposer's plan should provide facilities that are consistent with and will enhance District values, visitor services, and visitor experiences at the District.

Provide a time-line identifying activities necessary and number of days required to complete start-up activities and the projected date business will be open to the public.

**C. Operation Plan.** In addition to the Operation Plan, the successful proposer also must adhere to the operational requirements as described in the lease

agreement template. Your Operation Plan must address each of the following elements:

**1. Type of Service**

Provide a sample price schedule and a description of any products or services that will be offered as part of the proposed business.

**2. Business Ambiance Plan**

Describe your plan to develop an ambiance for your business.

**3. Organizational Structure**

Provide an organization chart and staffing plan that can guide the operation and ongoing management of your business.

**4. Marketing and Advertising**

Describe your marketing concept which should include, but is not limited to, proposed approaches, methodologies, media, advertising materials, schedules, and budget allocations.

**5. Conservation and Recycling**

Outline your approach to solid waste management, including reduction, re-use, and recycling, use of post-consumer recycled products, water and energy conservation, pest management, hazardous materials handling, air quality, and other applicable facets of resource conservation and environmental protection that are applicable to the business operation. Your plan should clearly commit you to a program that will minimize negative impacts on the environment and encourage District visitors to do the same. The District is particularly aware of the impacts of plastics on the ocean environment, and as such, prohibits the successful business from supplying single use plastic bags and/or non bio-degradable food containers, as appropriate.

**6. Accessibility Plan**

Certify accessibility of facilities consistent with the “Americans With Disabilities Act of 1990”.

**D. Maintenance Plan**

In addition to the Facilities Plan, the successful proposer also must adhere to the facility requirements as described in the Lease Agreement Template.

Provide a comprehensive plan to maintain the facilities in good condition throughout the term of the Lease Agreement. The maintenance plan should include budget allocations, maintenance and housekeeping schedules, and schedule for replacement of equipment.

#### **E. Rental Guarantee Offer**

Based on your concept and structure, specify the type of monetary benefits you envision providing to the District and how they would be measured. The District anticipates a minimum base rent, plus rent based on a percentage of gross sales. The District anticipates that the proposal will include a Rental Guarantee amount. The most recent tenant paid 7% of all gross receipts.

#### **F. Feasibility of Business Proposed**

Based on the information you have to date and upon your preliminary evaluation of the opportunity and vision for the business, provide the following:

##### **1. Completion of a Narrative Regarding the Feasibility of the Business Proposed**

Provide a narrative which includes the elements of a market study for the proposed business. The narrative must include, at a minimum, the following elements:

- A. Demographics
- B. Target Market
- C. Market Demand and support for pro forma operating revenues
- D. Competition
- E. Barriers to Operation and Regulatory Impediments

Respondents may utilize the resources found at the Small Business Administration: <https://www.sba.gov/> or at SCORE: <https://www.score.org/> in the completion of this item.

##### **2. Estimated cost for Tenant Improvements**

Provide an estimate for the tenant improvement expenses as explained in the Tenant Improvement plan, and methodology and assumptions used in development of these numbers.

**3. Estimated cost for Start-up Expenses**

Provide estimate for the business start-up expenses as explained in the Start-up plan, and methodology and assumptions used in development of these numbers.

**4. Estimate of Equity and Debt requirements**

Provide an estimate of funding sources for the business, during start-up and operational stages.

**5. Lease Agreement term**

Provide your proposed term requirements using a minimum of 5 years and a maximum 10 years.

**6. Pro Forma Projection**

Provide a Pro forma projection of revenues and expenses, debt service etc. associated with the tenant improvements, start-up, operation and maintenance expenses of the proposed business for each year identified in #4 above. (Attachment 7)

**G. Acceptance of Key Lease Agreement Terms & Conditions**

A template of the Lease Agreement is located at <http://www.portsanluis.com/2180/Bids-Proposals> and the Key Lease Terms are located in Section 1.4 of this RFP. Objections to any of the conditions must be presented as part of your proposal. If there are no stated objections the District assumes that negotiations will be limited to term and price.

**III. CERTIFICATION OF PROPOSER INFORMATION**

**A. Labor Law Compliance Certification**

A request may be made to the National Labor Relations Board for information regarding Administrative Hearing decisions against each proposer. You must have no more than one final, unappealable finding of contempt of court by a federal court issued for violation of the National Labor Relations Act within the two-year period immediately preceding the closing date of this RFP or your proposal will be disqualified.

## **B. Proposer Certification**

A completed certification, provided as Attachment 2, is required with your proposal or it may be disqualified.

## **C. Authorization to Release Information**

A signed authorization for each individual, partner, member of joint ventures, officer of corporations, Manager, and holders of 25% or more of the company's shares (as applicable) must be included or the proposal may be disqualified. Authorization forms are provided as Attachment 3.

## **D. Fair Credit Reporting Act (FCRA) Authorization to Obtain a Consumer Report**

A signed authorization for each individual, partner, member of joint ventures, officer of corporations, Manager, and holders of 25% or more of the company's shares (as applicable) must be included or the proposal may be disqualified. Authorization form is provided as Attachment 5.

## **3.2 PROPOSAL EVALUATION CRITERIA**

### **Summary & Experience**

**40 Points**

A clear mission statement that supports the District's goals and objectives as stated in Section 1 is required. For the purposes of this RFP, proposers must have three (3) or more years of continuous experience within the last five (5) years in the ownership, management, or operation of retail/and or food and beverage concessions. The proposer will be rated according to quality of the mission statement, summary and the years of relevant experience as verified by references and the quality of experience as it relates to the business described in this RFP.

The proposer will also be rated on experience with previous landlords, including any lease or license operations with the District. A history of past non-compliance or defaults with leases, licenses, or any other type of business arrangement could result in a deduction in points received for this category. The proposer must complete Attachment 6 – Lease History and submit with the completed proposal.

### **Tenant Improvement Plan**

**25 Points**

Points will be awarded based upon the degree to which the proposal addresses each of the required elements of the Tenant Improvement Plan as identified in Section 3.1 II A of this RFP and demonstrates an understanding of and commitment to achieving the objectives of this RFP. In addition, points will be awarded based upon the proposer's demonstrated ability to comprehensively estimate tenant improvement costs and the identification of capital funds.

### **Start-Up Plan**

**25 Points**

Points will be awarded based upon the degree to which the proposal addresses each of the required elements of the Start-Up Plan as identified in Section 3.1 II B of this RFP and demonstrates an understanding of and commitment to achieving the objectives of this RFP. In addition, points will be awarded based upon the proposer’s demonstrated ability to accurately estimate start-up costs and the identification of capital funds.

**Operation Plan**

**25 Points**

Points will be awarded based upon the degree to which the proposal addresses each of the required elements of the Operation Plan as identified in Section 3.1 II C of this RFP and demonstrates an understanding of and commitment to achieving the objectives of this RFP. More points will be awarded to proposals that provide quality goods and services that are consistent with the intent and scope of the RFP and the mission of the District.

**Maintenance Plan**

**25 Points**

Points will be awarded based upon the degree to which the proposal addresses each of the required elements of the Maintenance Plan as identified in Section 3.1 II D of this RFP and meets and exceeds the objectives of this RFP.

**Rental Guarantee Offer**

**25 Points**

For the purpose of assigning points in the Proposal Evaluation, the highest acceptable rental offer for the monthly Rental Guarantee will be assigned the maximum points available for that category. Each lower rental offer will be assigned points in relation to the highest rental offer as follows:

$$\frac{\text{(Bid Amount)}}{\text{(Highest Bid Amount)}} \times 25 \text{ points} = \text{_____ points}$$

**Feasibility of Business**

**25 Points**

For the purpose of assigning points in the Proposal Evaluation, the maximum points will be assigned for quality of the feasibility information and which address each of the required elements as identified in Section 3.1, II F.

**Acceptance of Key Lease Terms and Lease Agreement Form**

**25 Points**

For the purpose of assigning points in the Proposal Evaluation, the maximum points will be assigned for acceptance of the Key Lease Terms and the Lease Agreement Form. Objections to the agreement may result in a reduction of the maximum points.

**\*Note:** The highest rental guarantee offer received may not be considered acceptable. Proposers may be required to prove to the satisfaction of the District their ability to operate a successful business under their fee offer. Failure to prove this ability may be cause to

disqualify the proposal. In this case, the second highest acceptable rental guarantee offer would be used to calculate points awarded.

### 3.3 PROPOSAL EVALUATION SHEET

#### PHASE I COMPLIANCE WITH RFP MINIMUM REQUIREMENTS

##### PROPOSAL

- I. PROPOSAL SUMMARY \_\_\_\_\_ (pass/disqualify)
- II. PROPOSER INFORMATION
  - A. Principals \_\_\_\_\_ (pass/disqualify)
  - B. Financial \_\_\_\_\_ (pass/disqualify)
  - C. Experience \_\_\_\_\_ (pass/disqualify)
- III. PROPOSAL INFORMATION
  - A. Tenant Improvement Plan \_\_\_\_\_ (pass/disqualify)
  - B. Start-up Plan \_\_\_\_\_ (pass/disqualify)
  - C. Operation Plan \_\_\_\_\_ (pass/disqualify)
  - D. Maintenance Plan \_\_\_\_\_ (pass/disqualify)
  - E. Feasibility of Business \_\_\_\_\_ (pass/disqualify)
- IV. CERTIFICATION AND AUTHORIZATION
  - A. Labor Law Compliance Certification \_\_\_\_\_ (pass/disqualify)
  - B. Proposer Certification \_\_\_\_\_ (pass/disqualify)
  - C. Authorization to Release Information \_\_\_\_\_ (pass/disqualify)
- V. PROPOSER DEPOSIT \_\_\_\_\_ (pass/disqualify)
- VI. ACCEPTANCE OF TERMS & CONDITIONS OF LEASE AGREEMENT  
\_\_\_\_\_ (pass/disqualify)

***Proposer must pass PHASE I to qualify for further consideration.***

**PHASE II RENT PROPOSED/CREDIT WORTHINESS & ABILITY TO FINANCE**

- A. Rent Proposed met/Exceeded Minimum Requirement \_\_\_\_\_ (pass/disqualified)
- B. Ability to Finance \_\_\_\_\_ (pass/disqualified)
- C. Credit Worthiness \_\_\_\_\_ (pass/disqualified)

***Proposer must pass LEVEL II to qualify for further consideration.***

**PHASE III PROPOSAL EVALUATION**

- A. Proposer Information
    - Summary & Experience \_\_\_\_\_ /40 Points
  - B. Proposal Information
    - Tenant Improvement Plan \_\_\_\_\_ /25 Points
    - Start-up Plan \_\_\_\_\_ /25 Points
    - Operation Plan \_\_\_\_\_ /25 Points
    - Maintenance Plan \_\_\_\_\_ /25 Points
  - C. Rental Guarantee Offer \_\_\_\_\_ /25 Points
  - D. Feasibility of Business \_\_\_\_\_ /25 Points
  - E. Acceptance of Lease Agreement Form \_\_\_\_\_ /25 Points
- GRAND TOTAL \_\_\_\_\_ / 215 Points

Comments:

**ATTACHMENTS**

- Attachment 1: SITE PLAN
- Attachment 2: PROPOSER CERTIFICATION
- Attachment 3: AUTHORIZATION TO RELEASE INFORMATION
- Attachment 4: LEASE AGREEMENT TEMPLATE
- Attachment 5: FCRA AUTHORIZATION TO OBTAIN A CONSUMER CREDIT REPORT/BACKGROUND CHECK
- Attachment 6: LEASE/LICENSE HISTORY
- Attachment 7: FINANCIAL PRO FORMA