



Santa Barbara Airport Request for Proposals for a Retail Concession Addendum #2

1. Mid-term Refurbishment:

Proposer should expect to invest a minimum of half the initial investment or \$25 per square foot for the mid-term refurbishment. Proposer and Airport Staff will meet to determine those items needing repair, replacement or re-concepting. Proposer will submit a plan to the Airport detailing the proposed improvements. Based upon these negotiations, the proposed improvements will be submitted to the Airport for approval. Once the improvements have been mutually agreed upon, Proposer will provide the Airport with a construction schedule and set of "as built" plans.

2. ATTACHMENT D

Retail Percentage Rent

Concept	Percentage	\$0-\$500,000	\$500,000 to \$750,000	Greater than \$750,000
News	7%			
Gifts & Sundries	Not less than 8%			

It is up to the Proposer to determine the percentage rent to be remitted to the Airport. The percentage rate for newspaper and periodicals may be less than that for gifts and sundries based on the lower profit margin. The minimum percentage rent should be no less than 7% on News and 8% on Gifts and Sundries.

The percentages can be proposed as a flat rate, or as a graduated percentage based upon gross sales. The points at which percentage rents would be increased are shown above.

Example: Proposer could propose a fixed rate of 7% on News and a graduated percentage on Gifts & Sundries at 8% for \$0-\$500,000, 10% from \$500,000 to \$750,000 and 12% above \$750,000.

Or, two fixed percentage rates, or two graduated rate schedules could be proposed.