

**San Francisco War Memorial and Performing Arts Center
City and County of San Francisco**

REQUEST FOR PROPOSAL

**FOOD AND BEVERAGE CONCESSIONS AND CATERING
AGREEMENT**

**War Memorial Opera House
Louise M. Davies Symphony Hall
Herbst Theatre
Zellerbach Rehearsal Hall
Veterans Building Cafe**



San Francisco War Memorial and Performing Arts Center
401 Van Ness Avenue, Suite 110
San Francisco, California 94102

January 10, 2018

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	5
A. Opportunity	
B. RFP Schedule	
C. Term of Agreement	
D. Check List of Required Submittals	
II. CENTER PROPERTY AND USAGE	8
A. War Memorial Opera House	
B. Louise M. Davies Symphony Hall	
C. Herbst Theatre	
D. Zellerbach Rehearsal Hall	
E. Veterans Building Café	
F. Facilities and Areas Excluded from Agreement	
III. SCOPE OF SERVICES	11
A. Concessions Services	
B. Exceptions to Exclusive Concessions Services	
C. Catering Services	
D. Exceptions to Exclusive Catering Services	
E. Retail Operation of Veterans Building Café	
F. Vending Machines	
IV. STANDARDS OF OPERATION	15
A. Employees and Staffing	
B. Concession Menus: Product Quality, Variety and Value	
C. Catering Services Operation	
D. Quality of Services	
E. Sanitary and Safety Conditions	
F. Merchandising	
G. Sponsorships	
H. Financial Controls	
I. Pricing	
J. Licenses and Permits	
K. Liquor License	
L. Sustainable Foods	
V. PREMISES	19
A. Use of Premises	
B. Equipment, Fixtures, Furnishings and Supplies	
C. Maintenance and Repairs	
D. Utilities	
E. Services	

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

VI.	FINANCIAL ARRANGEMENTS	22
	A. Concession and Catering Fees	
	B. Concessions Equipment Replacement Fund	
	C. Operator Investment	
	D. Books, Records and Audits	
VII.	SUBMISSION REQUIREMENTS	24
	A. Time and Place for Submission of Proposals	
	B. Pre-proposal Tour of Premises and Meeting	
	C. Proposal Package	
VIII.	SELECTION PROCESS AND EVALUATION CRITERIA	29
	A. Selection Process and Proposal Evaluation	
	B. Evaluation Criteria	
IX.	TERMS AND CONDITIONS FOR RECEIPT OF PROPOSAL	31
	A. Errors and Omissions in RFP	
	B. Inquiries Regarding RFP	
	C. Objections to RFP Terms	
	D. Change Notices	
	E. Term of Proposal	
	F. Revision of Proposal	
	G. Errors and Omissions in Proposal	
	H. Financial Responsibility	
	I. Proposer’s Obligations under the Campaign Reform Ordinance	
	J. Sunshine Ordinance	
	K. Public Access to Meetings and Records	
	L. Reservations of Rights by the War Memorial	
	M. No Waiver	
X.	AGREEMENT REQUIREMENTS	35
	A. Required Contractor Forms	
	B. Standard Contract Provisions	
XI.	PROTEST PROCEDURES	36
	A. Protest of Non-Responsiveness Determination	
	B. Protest of Contract Award	
	C. Delivery of Protests	
EXHIBITS:		
A.	Definition of Terms	
B.	General Description and Floor Plans of the Premises	
C.	Concessions, Catering and Other Sales, Performances and Attendance Summaries: 2009 – 2017	
D.	Opera House Kitchen Drawings and Existing Equipment Schedule	
E.	Veterans Building Cafe Drawings and Equipment Schedule	

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

EXHIBITS (continued):

- F. Center Monthly Schedule for October 2016**
- G. Current Minimum Staffing Levels**
- H. Concessions Pricing**
- I. City-Owned Equipment**
- J. Submittal Form A: Minimum Qualification Requirements**
- K. Submittal Form B: Ability to Comply with City and
County of San Francisco's Requirements**
- L. Required Contractor Forms**
- M. Standard Contract Provisions**

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

I. INTRODUCTION

A. Opportunity

Through this Request for Proposal (“RFP”), the War Memorial and Performing Arts Center (“War Memorial”) of the City and County of San Francisco (“City”) invites proposals from qualified firms interested in operating exclusive food and beverage Concessions and Catering Services at the San Francisco War Memorial and Performing Arts Center (“Center”) which includes designated areas at the:

- War Memorial Opera House (“Opera House”)
- Louise M. Davies Symphony Hall (“Davies Symphony Hall”)
- Herbst Theatre
- Zellerbach Rehearsal Hall
- Veterans Building Cafe

Definitions of Terms used in the RFP are shown in **Exhibit A**.

The current operator, RA Center LLC dba Patina Restaurant Group, has provided Concessions and Catering Services at the Center since 1999. The current Food and Beverage Concessions and Catering Agreement for these services will expire July 31, 2018, unless otherwise extended.

The objective of this Request for Proposal is to award a Food and Beverage Concessions and Catering Services Agreement to the highest qualified operator who will accomplish the following:

- Provide exclusive food and beverage Concessions Services that in 2016 generated approximately \$3.5 million in total sales serving approximately 882,000 patrons at over 500 world-class performance events at the Opera House, Davies Symphony Hall, Herbst Theatre, and Zellerbach Rehearsal Hall.
- Provide exclusive Catering Services that in 2016 generated approximately \$769,000 in total sales at designated Center venues.
- Provide vending machine services and an opportunity to operate the Veterans Building Café, which in 2016 generated approximately \$200,000 in total sales.
- Provide services that meet the needs and goals of the San Francisco Ballet, San Francisco Opera and San Francisco Symphony (“Constituents”), various cultural, entertainment and performing arts organizations (“Licensees”), and Center patrons that include:
 - implementing an operational plan that provides high quality and variety of products and services that reflects San Francisco’s values and expectations;
 - maximizing the patron experience through exemplary customer service featuring innovative menu items appealing to a broad spectrum of patrons and using high quality, sustainable ingredients;
 - minimizing wait times for Concessions Services while implementing technological improvements and utilizing available concession space;

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

- providing a variety of price points for food and beverage products that are competitive with local venues;
- increasing a strong customer base for Concessions and Catering through collaborations with Constituents and the use of effective marketing tools;
- optimizing potential revenue;
- maintaining and, as necessary, investing in improvements that create attractive and effective service at the Center’s venues;
- assessing on-going operational methods and equipment needs in order to create an efficient, inviting and attractive food and beverage service;
- taking initiative to identify and address product and service improvements;
- committing to strong working partnerships with the War Memorial, Constituents and Licensees to resolve on-going issues and creatively implement an operational plan that improves the War Memorial’s reputation as a world-class center for the performing arts.

This RFP requires that qualified firms or partnerships (“Proposers”) submit written evidence that they satisfy the Minimum Qualification Requirements, as detailed in **Section VII.C.2**, but in general must have a minimum of 5 years of operating in similar facilities and have achieved gross sales of at least \$1 million per year.

Proposals received by the submittal deadline which satisfy the Minimum Qualification Requirements and all other Submission Requirements, as outlined in **Section VII**, will be evaluated as detailed in **Section VIII**. The War Memorial Board of Trustee’s selection of the successful Proposer will allow the War Memorial staff to negotiate an Agreement. Upon successful negotiation of the Agreement, the Agreement will be considered by the War Memorial Board of Trustees for approval.

B. RFP Schedule

The anticipated schedule to select an Operator is:

<u>Proposal Phase</u>	<u>Date</u>
● RFP issued by War Memorial:	January 10, 2018
● Pre-proposal tour and conference:	1:00 p.m., February 5, 2018
● Deadline for submission of clarification requests:	5:00 p.m. PST, February 16, 2018
● Deadline for receipt of responses to RFP:	5:00 p.m. PST, March 28, 2018
● Evaluation and ranking of Proposers:	March 29 – April 20, 2018
● Interview with selected Proposers:	April 23 – May 4, 2018
● War Memorial Board of Trustees Consideration:	May 9, 2018
● Negotiation Period:	May – June 2018
● Execution of Agreement:	June – July 2018

C. Term of Agreement

- 1) Preliminary Term

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

The preliminary term of the Agreement (“Preliminary Term”) shall begin on the date that the Agreement between the War Memorial and Operator is executed, and shall continue through July 31, 2018. During the Preliminary Term, the Operator shall make all necessary preparations to commence Concessions and Catering Services on August 1, 2018. The Operator acknowledges that the current operator shall have possession of and be operating within the Premises through July 31, 2018.

2) Original Term

The original term of the Agreement (“Original Term”) shall be for a minimum of five years, commencing on August 1, 2018 and continuing through July 31, 2023. The Operator acknowledges that the current operator shall have the right for seven (7) days after commencement of the Original Term to enter the Premises for the purpose of removing its personal property therefrom. The Operator shall have the right to make separate arrangements with the current operator to facilitate an orderly transition.

3) Renewal Term

The War Memorial will retain the sole, absolute discretion to extend the Agreement for an additional period of up to five (5) years (“Renewal Term”), subject to the following:

- a) The Operator shall give the War Memorial written notice of its desire to extend the Agreement not less than eighteen (18) months prior to the expiration of the Original Term of the Agreement; and
- b) The War Memorial and Operator are able to reach agreement on concession fees and on what is required to meet the then current service requirements.

In no event shall the term of the Agreement exceed ten (10) years.

4) Termination of Agreement

The War Memorial at its option may terminate the Agreement for convenience upon ninety (90) days written notice to the Operator.

D. Check List of Required Submittals

As detailed in **Section VII**, Proposers are to review, complete and submit each of the following submittals, including those that require execution of the forms provided:

- Introduction and Executive Summary Cover Statement
- Statement of Minimum Qualifications (Submittal A)
- Statement of Ability to Comply with City and County of San Francisco Requirements (Submittal B)
- Narrative Proposal
- Financial Pro Forma

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

II. CENTER PROPERTY AND USAGE

The San Francisco War Memorial and Performing Arts Center (“Center”) is a seven and one-half acre complex of buildings and grounds in the San Francisco Civic Center. The Center is owned by the City and County of San Francisco and is governed and operated by the War Memorial Board of Trustees which consists of 11 members appointed by the Mayor. The War Memorial department of the City and County currently has 69 full-time employees consisting of administrative, security, engineering and maintenance personnel who plan, direct, coordinate, protect and promote all operations and activities of the Center in accordance with the policies of the War Memorial Board of Trustees.

The War Memorial licenses use of the Opera House, Davies Symphony Hall, Herbst Theatre and Zellerbach Rehearsal Hall to Constituents and Licensees for presentation of cultural performances and other entertainment activities.

The designated food and beverage areas in the Center (“Premises”) to be used by the Operator are generally shown in **Exhibit B**. Detailed 2009 - 2017 Concessions and Catering sales, number of performances, and attendance summaries by venue are provided in **Exhibit C**.

A. War Memorial Opera House

The Opera House is home to the San Francisco Ballet and San Francisco Opera and periodically used by other Licensees. The building opened in 1932. Designed by Arthur Brown Jr., the prominent American architect who also designed San Francisco City Hall, this cultural landmark is one of the prominent Beaux-Arts structures built in the United States. The Opera House is part of the San Francisco War Memorial Complex which also includes the War Memorial Veterans Building and the courtyard grounds separating the two structures.

The Opera House auditorium consists of six levels with seating and standing room capacities as follows:

Orchestra (Ground Floor)	1,174 seats, 38 removable seats*, 100 standing room
Boxes (Mezzanine)	192 seats
Grand Tier (2 nd Floor)	274 seats
Dress Circle (3 rd floor)	598 seats
Balcony Circle (4 th floor)	278 seats
Balcony (5 th floor)	<u>610 seats, 100 standing room</u>
TOTAL CAPACITY	3,126 seats, 38 removable seats*, 200 standing room

*Removable seating currently used for San Francisco Ballet “Nutcracker” performances only.

In 2016, the Opera House hosted 178 performances with attendance of 417,208 patrons. During this year, the Opera House generated over \$2.3 million in concession sales and hosted 80 catering events generating \$358,550 in catering sales.

In addition to the fixed and mobile concession stations (“Intermission Bars”), the Café in the Opera serves as an in-house restaurant that operates in the lower lounge beneath the main lobby. The Café is currently open prior to each ballet and opera performance for brunch or dinner.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

The Opera House has a dedicated 1,600 square foot kitchen in the lower lounge level that serves not only the Opera House, but also Davies Symphony Hall and Herbst Theatre. A drawing of the Opera House kitchen including existing equipment schedule is shown in **Exhibit D**.

B. Louise M. Davies Symphony Hall

Louise M. Davies Symphony Hall opened in 1980 as the home of the San Francisco Symphony. The Davies Symphony Hall auditorium consists of seven seating sections with seating capacities as follows:

Orchestra	1,044 seats
Orchestra Boxes	136 seats
Terrace Side Seats	120 seats
Terrace Back Benches	111 seats (used for chorus seating for choral concerts)
Loge Level	252 seats
First Tier	447 seats
Second Tier	<u>629 seats</u>
TOTAL CAPACITY	2,739 seats

In 2016, the San Francisco Symphony and other Licensees hosted 217 performances with attendance of 407,284 patrons. During this year, Davies Symphony Hall generated concession sales of \$1,089,389 and hosted 21 catering events generating \$276,343 in catering sales.

C. Herbst Theatre

The Herbst Theatre is housed within the Veterans Building that was constructed in 1931-32 as part of the San Francisco War Memorial Complex. The Herbst Theatre (formerly the Veterans Auditorium) is known as the historic site of the signing of the United Nations Charter in 1945. The Herbst Theatre now serves as the primary venue for many of the Bay Area's premier cultural organizations, including San Francisco Performances, Philharmonia Baroque Orchestra, New Century Chamber Orchestra and Chamber Music SF. Adorned by a series of Frank Brangwyn murals originally painted for the 1915 Panama-Pacific International Exposition, the 892-seat auditorium has been fully renovated and the venue now features new stage-level dressing rooms, a dedicated rehearsal space and a modern performer lounge.

The Herbst Theatre auditorium consists of four seating levels with seating capacities as follows:

Orchestra	448 seats
Side Boxes	58 seats
Dress Circle	228 seats
Balcony	<u>158 seats</u>
TOTAL CAPACITY	892 seats

In 2016, Concessions Services were provided during 116 Herbst Theatre performances attended by 52,503 patrons, generating \$60,319 in concession sales. During this year, there were 15 catering events generating \$106,331 in catering sales.

D. Zellerbach Rehearsal Hall

The Zellerbach Rehearsal Hall is primarily a rehearsal hall consisting of a large 7,600 square foot rehearsal space comparable in shape and dimensions to the Opera House stage on the ground floor and two smaller rehearsal spaces in the basement level used primarily for staging, choral and orchestra rehearsals. In recent years, the large rehearsal space (i.e., Rehearsal Hall A) has

Request for Proposal
Food and Beverage Concessions and Catering Agreement

been occasionally used for special catered functions. During the past three years, the space has also been used by the San Francisco Symphony for an experimental club-formatted series of 10 concerts per year (entitled "SoundBox"). This experimental series, targeting a younger, untapped audience, has a 500-person capacity for each concert. In 2016, Concession Services were provided during 10 SoundBox concerts attended by 5,000 patrons, generating \$56,003 in concession sales. The San Francisco Symphony is working on ways to continue presenting SoundBox; however, the future of the series is uncertain at this time.

E. Veterans Building Cafe

The Veterans Building Café was created in 2015 and represents approximately 688 square feet of dedicated retail space located in the northeast corner of the Veterans Building on the ground floor. The space consists of two designated areas: café area and preparation/storage area. The café area includes a food assembly area and point-of-sale adjacent to the Veterans Building main lobby. The preparation/storage area provides cold storage, ice-making, dishwashing facilities, and storage. There are currently 24 customer chairs and 6 tables in the lobby. A drawing of the Veterans Building Café, including its existing equipment schedule is attached as **Exhibit E**.

F. Facilities and Areas Excluded from Agreement

The Premises, or spaces within the Center dedicated for private use by the Operator and spaces for which Operator shall have the exclusive service rights, are generally described in **Exhibit B**.

Certain facilities and areas will be excluded from the exclusive Concessions and Catering Services rights granted to the Operator. The Premises will not include the following spaces:

- 1) Opera House: Canteen, Ballet Studio
- 2) Davies Symphony Hall: Wattis Room, Hana Zellerbach Green Room, and loading dock
- 3) Veterans Building: Herbst Theatre Lower Lounge, Green Room (second floor), and Diane B. Wilsey Center for the Opera (fourth floor)
- 4) Zellerbach Rehearsal Hall: Rehearsal Rooms B & C
- 5) Exterior Grounds
- 6) Private offices and spaces permanently assigned to Constituents and permanent tenants in the Opera House, Davies Symphony Hall, Veterans Building and Zellerbach Rehearsal Hall

While some of the excluded facilities and areas are not available for exclusive Concessions and Catering Services under this RFP, these areas may be available for such services on a non-exclusive, competitive basis, as determined by the War Memorial.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

III. SCOPE OF SERVICES

The Scope of Services described below is a general guide and not intended to be a comprehensive list of all work necessary to operate Concessions and Catering Services at the Center. Respondents may propose a modified scope, as part of their proposal.

Within the Premises, the War Memorial shall grant the Operator:

- the exclusive right to operate food and beverage Concessions Services
- the right of first refusal to operate food and beverage Catering Services on an exclusive basis.

The exclusive rights granted to the Operator are conditioned in each case upon Operator's agreeing to provide such products and services at prices that are reasonable and comparable to similar venues in the marketplace as determined by the War Memorial.

A. Concessions Services

Except as noted below, the Operator will manage and operate Concessions Services at all scheduled performances and events at the following spaces, except student performances:

- 1) Opera House, Davies Symphony Hall and Zellerbach Rehearsal Hall. Food and beverages shall be offered for sale at all performances beginning not less than one hour prior to each performance and continuing through all intermissions.
- 2) Café at the Opera. The Café in the lower lounge of the Opera House is to be operated for the convenience of performance patrons and shall be open for brunch, lunch or dinner 90-120 minutes prior to all performances at the Opera House.
- 3) Herbst Theatre: Food and beverages shall be offered for sale at all performances having one or more intermissions, beginning not less than one hour prior to each performance and continuing through all intermissions. For performances that do not have an intermission, the War Memorial may impose a minimum guarantee from the Licensee if Concessions Services are desired.

For the information of Proposers, a list of all Center performances and events for which Concessions Services were provided in October 2016 is attached as **Exhibit F**.

The Operator shall meet with War Memorial, Constituents and Licensees on a regular basis to review and determine levels of staffing, menus and offerings, and other areas that affect Concessions performance.

B. Exceptions to Exclusive Concessions Services

The exclusive Concessions Services granted to the Operator shall have the following exceptions:

- 1) The War Memorial may permit the San Francisco Symphony to use volunteer staff to sell coffee and to provide complimentary donuts for the Symphony's annual subscription series of eight morning open rehearsals at Davies Symphony Hall.
- 2) The War Memorial may permit the San Francisco Ballet and San Francisco Opera to use Ballet and Opera staff to serve complimentary wine/beverages and light fare to press

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

representatives in the Opera House press room before and during Ballet and Opera performances.

- 3) Subject to War Memorial approval, Constituents and Licensees may distribute free food product samples to their patrons and may sell gift boxes of confection products not intended for consumption on the Premises in designated gift shop or merchandise sales locations.

C. Catering Services

The Operator will manage and operate Catering Services during those hours necessary for Constituents' and Licensees' events and other activities on the Premises that have been approved by the War Memorial. In general, Catering Services shall include management and responsibility of:

- Advance preparation of catering areas
- Arrangement for all necessary staff
- Equipment rentals and supplies
- Catering of food and beverages
- Cleaning and restoring areas to their condition prior to an event

The Operator shall meet with Constituents and Licensees in advance to determine Catering Services to be performed and shall enter into agreements with Constituents and Licensees setting forth the agreed upon Catering Services to be performed by Operator and the catering fees to be paid to the Operator by Constituents and Licensees. Copies of all catering agreements as well as final catering invoices for Catering Services shall be submitted to the War Memorial.

Subject to availability, the Operator shall have the right to rent from War Memorial the lobby areas of the Opera House and Davies Symphony Hall to hold non-Constituent and non-Licensee catered events. Such rentals shall be subject to the War Memorial's standard rental policies and fees, including lobby rental fees and reimbursements for all personnel, equipment and other direct costs.

For the information of Proposers, a selected list of activities catered by the current Operator during 2017 is as follows:

- Non-profit Licensee Gala: Two-hour pre-performance reception in Opera House main lobby for 425 guests. Service includes 5 stationary hors d'oeuvres and complimentary water, coffee and tea.
- For-profit Licensee Event Services: All-day backstage coffee/water service and crew and performer lunch and dinner; two-hour complimentary beverage service (beer, wine, soda and water) for 1700 guests in Opera House main lobby.
- Constituent Donor Dinner: Pre-performance reception and seated dinner for 64 guests in Opera House box lobby. Service includes tray passed hors d'oeuvres, donated wine and water, and four-course seated dinner.

Request for Proposal

Food and Beverage Concessions and Catering Agreement

- **Constituent Partnering Reception:** Pre-performance reception for 70 guests in Davies Symphony Hall second tier lobby. Service includes 5 stationary hors d'oeuvres and service of donated wines and water.
- **Non-profit License Reception:** Post-concert reception for 150 guests in Herbst Theatre lower lounge. Service includes assorted cookies, petit fours and chocolate covered strawberries and service of donated wine and water.
- **Constituent Post-Performance Cast Party:** Post-performance party for 115 guests in Opera House lower lounge with build-your-own sandwich and salad buffet and service of donated beer, sparkling, red and white wines.
- **Constituent Opening Night Gala:** Pre-performance private reception for 700 guests in Davies Symphony Hall main lobby; intermission beverage service for all concert guests (2,000). All service is of donated wine and water.

D. Exceptions to Exclusive Catering Services

- 1) The War Memorial may permit each of its Constituents to enter into agreements with a caterer other than the Operator ("Outside Caterer") who may provide food and beverage in the Premises at no less than two special events during each year of the Agreement.

If the Operator is prohibited from temporarily surrendering its liquor license in order to allow an Outside Caterer to provide or serve alcohol for such special event, then the Operator shall be the sole provider for alcoholic beverage service for such special event. Any Outside Caterer granted the right to provide food and beverages on the Premises shall be required to: a) provide its own alcoholic beverage license or permit, if applicable, b) provide certificates of insurance evidencing policy coverages and limits equivalent to that required of the Operator, and c) pay War Memorial the same fees as would be required of the Operator if the Operator had provided the catering service.

- 2) Subject to War Memorial advance approval, Constituents and Licensees shall not be required to use the Operator for the catering of Constituents' and Licensees' performers and stage crews, unless such catering occurs in the Premises designated in **Exhibit B.**
- 3) Private parties of employees of the War Memorial and Constituents shall be exempt from the exclusive catering rights granted to the Operator, unless such catering occurs in the Premises designated in **Exhibit B.**

E. Retail Operation of Veterans Building Cafe

The Operator may elect to self-manage the Veterans Building Café operation or it may subcontract its use with a separate café operator. Any subcontract is subject to War Memorial approval.

The Operator may also elect to decline either of these opportunities. If so, the War Memorial may elect to initiate a separate solicitation process to engage its own café operator.

The Veterans Building Café is currently operated by the current operator and is open Mondays through Fridays from 8:00 am to 4:00 pm.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

F. Vending Machines

The Operator shall install, operate and maintain vending machines in designated areas of the Premises specified in **Exhibit B**. The Operator and the War Memorial will mutually agree on the type and number of vending machines to be provided. The Operator shall comply with City requirements regarding bottled water and nutritional standards, as noted in **Exhibit M** of this RFP.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

IV. STANDARDS OF OPERATIONS

Once a Proposer is selected, the Operator will execute an Agreement with War Memorial which details the standards of operation based on the proposal.

The Operator shall conduct all of its operations on the Premises in a first-class, professional and efficient manner. In addition, the Operator shall:

A. Employees and Staffing

- 1) Appoint a full-time general manager and at least one additional management person, one of whom must be present at all times when any Concessions or Catering Services are in operation. The Operator's managers must have decision-making authority to carry out the obligations of the Operator and respond to matters requiring immediate action. The general manager must have demonstrated superior skills in communication, issues identification, pro-active learning and problem-solving. Operator shall utilize only competent personnel under the supervision of, and in the employment of, Operator (or Operator's authorized subcontractors) to perform any Concessions or Catering Services. Operator will comply with War Memorial's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at War Memorial's request, must be supervised by Operator.
- 2) Recruit, train, supervise and direct all employees, discipline and, if necessary, discharge any employee who fails to conform to the Operator's standards of operations.
- 3) Negotiate all collective bargaining agreements relative to the Operator's employees. The current operator has a collective bargaining agreement with the San Francisco Hotel and Restaurant Employees and Bartenders Union, Local 2, governing the wage scale and working conditions of the current operator's employees on the Premises. The collective bargaining agreement contains a clause, commonly referred to as a "successor" clause, pursuant to which the union may require a party which assumes management of an existing unionized operation to recognize the union agreement. However, the War Memorial is unaware of what position the union may take with respect to the proposed agreement to be awarded pursuant to this RFP. Local 2 (Lorraine Powell, Business Agent) can be contacted at 209 Golden Gate Avenue, San Francisco, CA 94102; (415) 864-8770 ext. 718, for information regarding the collective bargaining agreement between Local 2 and RA Center, LLC.
- 4) Will maintain regular office hours on the Premises and shall advise the War Memorial of any changes to its regular office hours.
- 5) Emphasize superior, consistent and efficient customer service delivery. Operator shall at all times have the sufficient number of qualified employees necessary for the operation of Concessions and Catering Services. At a minimum, the Operator shall maintain the current minimum staffing levels for Concessions Services at each of the Opera House, Davies Symphony Hall and Herbst Theatre as specified in **Exhibit G** and as agreed by the parties from time to time. The Operator shall obtain advance approval of the War Memorial for any reductions in minimum staffing levels for Concessions Services.

Request for Proposal

Food and Beverage Concessions and Catering Agreement

- 6) Ensure that all employees engaged in food preparation and service wear clean uniforms, be clean and sanitary in their personal habits, and meet all health standards prescribed by municipal, state and federal laws and regulations. The War Memorial reserves the right to approve Operator's uniform or dress code for employees working on the Premises.

B. Concession Menus: Product Quality, Variety and Value

- 1) Provide an appropriate range and variety of food, beverages (alcoholic and non-alcoholic), and confections on the Premises at a variety of price points that will satisfy patrons' quality expectations and maximize revenue potential. All food, beverages and confections sold or provided on the Premises must conform to all applicable municipal, state and federal laws and regulations.
- 2) Present for War Memorial approval all menus for Concessions, but will be permitted to temporarily substitute menu items based on Operator's reasonable discretion.
- 3) Present for War Memorial approval all prices for Concessions to ensure that menu items represent good value for patrons.

C. Catering Services Operation

- 1) Provide a complete and full-range of Catering Services on the Premises that include a variety of menus at different competitive price points sufficient to meet the needs of Constituents and Licensees, most of whom are non-profit organizations, for catered events approved by the War Memorial.
- 2) Work cooperatively with Constituents and Licensees to address their catering needs, including promptly responding to catering inquiries, and generating detailed, accurate and consistent catering menu proposals, price quotations, contracts and invoices in a timely manner.
- 3) Require that a manager oversees each catered event and can make decisions that ensure a successful event including: appropriate staffing levels, preparation of floor plans and set-up diagrams in advance for approval by War Memorial and Fire Department, the collection of all catering fees and payment of all catering expenses, and an obligation to resolve any disagreements or disputes with Constituents, Licensees or other client regarding fees, expenses, services or products.

D. Quality of Services

- 1) Provide highest quality, prompt, efficient and courteous service adequate to meet the reasonable standards on a fair, equal and non-discriminatory basis to all patrons.
- 2) Serve all food and beverage using china, silverware and glassware, except when service facilities limit the Operator to use of disposable products. When using disposable products, the Operator must maximize use of compostable and recycled/recyclable paper and other products. All table cloths and skirting shall be cloth, the color and quality subject to War Memorial approval.

Request for Proposal

Food and Beverage Concessions and Catering Agreement

- 3) Process Concessions transactions promptly and accurately and provide effective methods to reduce patron waiting time. Such methods may include pre-ordering using personal mobile technology or other devices so that paid for concession items can be placed at easily specified locations for patron pick-up.
- 4) Develop and maintain procedures for seeking and responding to feedback from Constituents and Licensees on Concessions and Catering Services. The War Memorial and Operator shall regularly review and evaluate services and shall meet quarterly to review Operator's performance.

E. Sanitary and Safety Conditions

- 1) Maintain the Premises in a clean, sanitary and safe condition, free from rubbish, refuse, food scraps, soiled dishes and utensils, and garbage.
- 2) Ensure that all walls, floors, equipment, furnishings, counters, and other surfaces on the Premises are properly and consistently cleaned and sanitized.
- 3) Shall not allow boxes, cartons, pallets, barrels or similar items to remain in any area of the Premises and shall keep the Premises free from hazardous conditions. The Operator must inform War Memorial of any hazardous conditions on the Premises or in any other areas of the Center.
- 4) Provide War Memorial with copies of all state and county health inspection reports received by the Operator within 24 hours of receipt.

F. Merchandising

- 1) Employ creative, effective and attractive merchandising methods to generate revenue. All signage and displays on the Premises as well as all advertising as it relates to the Center shall be approved in advance by the War Memorial.

G. Sponsorships

- 1) Agree that the War Memorial retains the sole and exclusive right to negotiate sponsorship, advertising and pouring rights and arrangements for all food, beverage, confections and merchandise sold in the Center. At no time will Operator offer exclusive or non-exclusive product distribution rights to any supplier without the prior written approval of the War Memorial.

H. Financial Controls

- 1) Enforce a program of financial controls to reduce the risk of losses of cash, inventory, supplies or equipment due to employee theft. The War Memorial shall have the right to periodically review these controls.

I. Pricing

- 1) Obtain War Memorial approval for prices of any product or service offered for sale and any use of Operator's equipment on the Premises. For information purposes, a chart of the current Concessions pricing is shown in **Exhibit H**.

J. Licenses and Permits

Request for Proposal**Food and Beverage Concessions and Catering Agreement**

- 1) Obtain and maintain all necessary licenses, permits and other consents applicable to its operations on the Premises.

K. Liquor License

- 1) Apply to the State of California Department of Alcoholic Beverage Control, and pay all necessary fees, for the transfer of the current liquor license(s), and obtain the permits required for the legal sale of alcoholic beverages on the Premises. The Operator, at its sole expense, shall maintain throughout the term of the Agreement, all licenses and permits necessary for the sale and service of alcoholic beverages by the Operator at all events held on the Premises. At the termination of the Agreement, the Operator shall surrender and transfer all alcoholic beverage licenses for the Premises if, allowed by law, to the War Memorial or the succeeding Operator at no cost to the War Memorial or succeeding Operator.

L. Sustainable Foods

- 1) Use commercially reasonable efforts to incorporate sustainable food principles into everyday operations, including the use of local and organic fruits and vegetables when available, use of Bay Area bakeries for bread and pastries, use of fair trade, locally-roasted coffee, and use of local meat, cheese, and dairy vendors whenever possible.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

V. PREMISES

A. Use of Premises

The areas and food and beverage facilities to be used by the Operator for the operation of Concession and Catering Services in the Opera House, Davies Symphony Hall, Veterans Building/Herbst Theatre and Zellerbach Rehearsal Hall are described in **Exhibit B. Exhibit B** designates those spaces or areas considered to be Operator's private space. **Exhibit B** also designates those spaces or areas for which Operator has been granted the exclusive right to provide Concessions and Catering Services. It is understood that the Premises are the property of the City and County of San Francisco and that the Agreement does not give the Operator any leasehold interest in the Premises, but only a license to enter and use the Premises, as provided in the Agreement. The Operator shall:

- 1) **As-Is Condition**: Acknowledge and agree that the Premises, including City-Owned Equipment, are provided to the Operator in their "as-is, with all faults" condition, without representation or warranty of any kind, and subject to all applicable laws, rules and ordinances governing the use, occupancy and possession of the Premises.
- 2) **Access Hours & Requirements**: Have access to the Premises on a daily basis (except City holidays) from 7 am to 12 am to provide Concessions and Catering Services. The Operator shall provide advance notice to the War Memorial for access beyond these operating hours, and shall be responsible for all costs of access, including, but not limited to, reimbursement to War Memorial for overtime engineering and security costs.

The Operator's employees and visitors shall comply with War Memorial access rules and regulations, including: providing photo identification badges, entering and exiting specified doors while displaying identification, providing a list, which shall be periodically updated, of all of its employees working at the Premises, and notifying War Memorial immediately of any persons who should be denied entry.

- 3) **Alterations**: Not make or permit to be made any alterations, installations, additions or improvements ("Alterations") in the Premises or Center property without advance written consent of War Memorial. The War Memorial reserves the right at any time to make Alterations to any areas or parts of its Center property.
- 4) **Liens**: Keep the Premises, and all equipment, fixtures, furnishings and personal property free from any liens arising out of any work performed, materials furnished, or obligations incurred by the Operator and shall reimburse the War Memorial for reasonable attorney's fees incurred in defense of proceedings to enforce/foreclose such liens.
- 5) **Deliveries**: Make deliveries during times that do not interfere with Center performances and other activities. Deliveries shall be made to specific building delivery entrances approved by the War Memorial.
- 6) **Signs**: Not erect signs on the Premises or in the vicinity thereof without express written approval of the War Memorial.

Request for Proposal

Food and Beverage Concessions and Catering Agreement

- 7) Unlawful Uses, Nuisances or Waste: Not use, occupy or permit the use or occupancy of the Premises in any unlawful manner, permit any offensive noisy or hazardous use or commit any waste on or about the Premises and shall take all precautions to eliminate any nuisances or hazards relating to its activities on the Premises.
- 8) Surrender of Premises: Upon termination of the Agreement, shall peacefully quit and surrender to War Memorial the Premises in good order and condition as determined by the War Memorial, normal wear and tear and casualty beyond Operator's control excepted. The Premises shall be surrendered free and clear of all liens and encumbrances created or suffered by, through, or under Operator. Operator shall, immediately after the termination of this Agreement, remove all of the Operator's personal property from the Premises.

B. Equipment, Fixtures, Furnishings and Supplies

- 1) City-Owned Equipment, Fixtures and Furnishings: The War Memorial shall make available for Operator's use on the Premises all the City-owned equipment, fixtures and furnishings ("City-Owned Equipment"), as listed in Exhibit I. The Operator shall: a) operate all City-Owned Equipment in a safe and correct manner; b) train all personnel on the proper operation of City-Owned Equipment prior to use; c) be responsible for all regular and required maintenance and repair of City-Owned Equipment; d) surrender to the War Memorial, upon termination of Agreement, all City-Owned Equipment in good condition, except for reasonable wear and tear.
- 2) Operator-Owned Equipment, Fixtures and Furnishings: The Operator shall provide all other equipment, fixtures and furnishings not specified in Exhibit I necessary for its operations. The Operator shall retain title to such equipment, fixtures and furnishings upon termination of the Agreement, except for such equipment, fixtures and furnishings provided by the Operator as part of its investment.
- 3) Operator-Owned Expendable Equipment and Supplies: The Operator shall furnish, maintain and replace all smallwares, china, silver, linen, glasswares, utensils and other such expendable equipment and supplies required for its operations. The Operator shall retain title to such expendable equipment and supplies.

C. Maintenance and Repairs

As noted above, the Operator shall be responsible for maintaining all City-Owned Equipment and all other equipment, fixtures and furnishings used in connection with the Agreement, including preventative maintenance and repairs through the term of the Agreement. Repairs shall be made at Operator's sole expense and by licensed contractors or qualified mechanics approved by the War Memorial and shall be performed in accordance with applicable laws, rules and regulations and shall not interfere with performances and other activities at the War Memorial. The War Memorial shall be responsible for the cost of repairs, replacement and maintenance of plumbing, electrical, HVAC, elevator and other War Memorial-owned equipment, fixtures and furnishings.

D. Utilities

Request for Proposal
Food and Beverage Concessions and Catering Agreement

The War Memorial shall provide the Operator all currently available utilities, including HVAC, water, sewer, electricity and steam for kitchen, provided the Operator does not waste the utilities provided, as determined by the War Memorial. The cost to repair or replace any utility service or lines damaged due to Operator's negligence shall be at the Operator's expense. The Operator shall maintain kitchen sewer lines to the satisfaction of the War Memorial and shall take all precautionary measures to assure that grease and other potentially hazardous or damaging materials are not discharged into the sewers.

E. Services

- 1) Scavenger Service/Garbage Disposal: The Operator shall be responsible for gathering, sorting and transferring all refuse, recyclable and compostable materials generated by its operations into appropriate containers in designated trash areas at least daily. The Operator shall comply with City requirements, including the use of compostable utensils, plates and napkins and shall participate in the City's Zero Waste Programs. The War Memorial shall provide scavenger service pick-up of all refuse, recyclable and compostable materials generated from such designated trash areas.
- 2) Pest Control: The Operator shall supply regular pest control service for its food service areas, including but not limited to: kitchen areas, pantries, back bars and storerooms.
- 3) Custodial: The Operator shall maintain custodial services in a) the private portions of its Premises that include, without limitation: kitchen areas, pantries, passageways, storerooms, back bars, offices, fixed and mobile concession stations, and all equipment, fixtures and furnishings; and b) non-exclusive areas of its Premises that include removal of all garbage, bussing of all equipment and supplies generated by its operations after each performance or event. This includes gathering and disposing of cups in auditorium seating areas following those performances for which patrons are permitted to take beverages into the auditorium. In addition, the Operator shall perform spot cleaning of floors and upholstery, sweeping of trash, and cleaning of spilled substances in the Premises. The War Memorial shall be responsible for the cost of all general interior/exterior window-washing, major floor cleaning and shampooing of carpet, drapery cleaning and chandelier cleaning.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

VI. FINANCIAL ARRANGEMENTS

A. Concession and Catering Fees

The War Memorial anticipates that the Agreement will be structured as a commission agreement whereby the Operator pays to War Memorial, on a monthly basis, a percentage/s of Gross Receipts, as defined in **Exhibit A**. However, the War Memorial will consider alternative structures. Accordingly, the Proposer may propose a Financial Proposal alternative to the commission-based agreement so long as it meets the goals of the War Memorial and provides justifications for its alternative structure.

Under the War Memorial’s current agreement, the operator pays the following commission percentages to the War Memorial:

Concessions:

Food, Non-Alcoholic Beverages, and Incidentals:	8.0%
Alcoholic Beverages:	15.0%
Vending Machine Income:	8.0%
Corkage:	8.0%

Catering:

Food, Non-Alcoholic Beverages, and Incidentals:	
Under \$1.6 million/year	20.0%
Over \$1.6 million/year	25.0%
Alcoholic Beverages:	15.0%
Corkage:	8.0%
Other Sales:	8.0%
(i.e., Operator’s income from rental fees or charges for equipment, fixtures, furnishings, china, glassware, silverware, or other items owned by either Operator or War Memorial)	
Off-Premises Catering (when Premises are used):	5.0%

In its evaluation of Proposer’s submittal packages (see **Section VIII.B**), the War Memorial will evaluate financial considerations as well as other criteria. The War Memorial intends to award the Agreement to the Proposer that it considers will provide the best overall Concessions and Catering Services in terms of quality, service and financial terms. The War Memorial reserves the right to accept proposals other than those offering the highest fees.

B. Concessions Equipment Replacement Fund

In addition to the Concessions and Catering Fees to be paid to the War Memorial, the Operator shall be required to pay 0.75% of Gross Receipts into a Concessions Equipment Replacement Fund (“CERF Fee”). The Operator shall pay the CERF Fee on a monthly basis by placing such funds in a separate account controlled by the War Memorial. This fund shall be used to fund replacement, major repair and refurbishment of, or improvements to, food and beverage equipment (excluding smallwares), furnishings and facilities, as agreed to by the Operator and War Memorial. CERF Fee funds shall not be used for the Operator’s maintenance and repair

Request for Proposal
Food and Beverage Concessions and Catering Agreement

responsibilities as noted in **Section V.C.** CERF funds shall be carried forward until the end of the Agreement at which time all unused funds shall immediately become the property of the War Memorial. All CERF improvements shall be the property of the War Memorial.

C. Operator Investment

The War Memorial will require a minimum investment for improvements by Operator totaling \$750,000 (“Investment”) over the Original and Renewal Terms of the Agreement. This will be used for additions and/or alterations to food and beverage service facilities to be determined and approved by the War Memorial with consultation from the Operator. The Original Term Investment and the Renewal Term Investment made by the Operator shall become the property of the War Memorial upon expiration of the respective full Original Term and the full Renewal Term.

Note: There is a potential to build out a kitchen facility in Davies Symphony Hall in what is currently a 467 square feet office area. The War Memorial has not evaluated the physical or cost feasibility of such a project.

D. Books, Records and Audits

The Operator shall:

- 1) **Books and Records**: Keep accurate and complete books and records of Gross Receipts in accordance with “generally accepted accounting principles,” consistently applied, showing in detail all business transacted on the Premises. Upon War Memorial request, Operator shall make available immediately all books, records and accounts pertaining to Gross Receipts under the Agreement.
- 2) **Electronic Point-of-Sale (POS) System**: Use computerized point-of-sale registers to record every sale and other transaction made on or from the Premises except for vending machine sales. War Memorial shall have access to all sales and management reports including original POS reports. (See **Exhibit I** for descriptions and quantities of POS registers owned by War Memorial and available for use by the Operator.)
- 3) **Monthly Statements**: Submit a monthly statement, concurrently with each payment of Concessions, Catering and CERF Fees, to the War Memorial and report of Gross Receipts signed and certified by the Operator as to its correctness, showing Operator’s Gross Receipts by location and category for the preceding month. If requested by the War Memorial, Operator must furnish POS system transaction logs to the War Memorial.
- 4) **Annual Statements**: Deliver a statement within ninety days of the end of each of Operator’s fiscal year showing Gross Receipts that have been certified by the Operator’s Chief Financial Officer.
- 5) **California State Sales Tax Report**: Establish a separate California State Sales Tax account for its operations on the Premises and shall provide to the War Memorial a copy of every report filed with the California State Board of Equalization.
- 6) **Financial Audits**: If the War Memorial causes an audit of Gross Receipts to be performed and there is a deficiency in the Operator’s payments to the War Memorial, Operator shall immediately pay to the War Memorial that amount of deficiency.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

VII. SUBMISSION REQUIREMENTS

A. Time and Place for Submission of Proposals

Proposals must be submitted in Portable Document Format (.pdf) to the War Memorial by 5:00 p.m. PST on March 28, 2018. No individual e-mail should contain files exceeding a total of 25 megabytes.

Proposals may be sent electronically to: wmpac-rfp@sfgov.org with a subject line: "Proposal for Food and Beverage Concession Agreement."

Electronic files should be sent as separate files for each document comprising the Proposal, not one long file. Do not add any pictures, narrative or information other than what is requested.

Proposals that are not received before the specified deadline will not be accepted.

B. Pre-proposal Tour of Premises and Meeting

Proposers are encouraged to attend the Pre-Proposal Tour of the Premises and Meeting on:

February 5, 2018 at 1:00 p.m. (PST)

Location of the Tour and Meeting:

San Francisco War Memorial and Performing Arts Center
401 Van Ness Avenue, Suite 110
San Francisco, CA 94102

The War Memorial will keep a record of all parties who attend the Tour and Meeting, which information may be posted on the War Memorial website. Questions raised during the Tour and Meeting may be answered orally, provided, however, that any oral response will not alter the specifications, terms or conditions of the RFP.

Any questions or requests for clarification of the RFP, whether submitted before or after the Tour and Meeting, must be in writing and any substantive replies will be issued through a Questions and Answers document posted on the War Memorial's website <http://www.sfwmpac.org/food-beverage-RFP>.

If you have further questions regarding this RFP, please contact the War Memorial at wmpac-rfp@sfgov.org.

C. Proposal Package

In order for the submitted proposal to be deemed responsive to this RFP, it must be complete, accurate, and contain all of the information requested below. Omission, inaccuracy, misstatement or failure to submit any or all of the items required by this RFP may be cause for rejection of the Proposal.

1) Introduction and Executive Summary Cover Statement

Each Proposer must submit a letter of introduction and brief executive summary of the Proposal. This statement must be signed by a person authorized to oblige the Proposer to perform the commitments contained in the Proposal. Submission of this letter will constitute a representation by the Proposer that the Proposer is willing and able to perform the commitments contained in the Proposal.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

2) Statement of Minimum Qualification Requirements (Submittal A)

In order to meet the Minimum Qualification Requirements, each Proposer must provide evidence that it has continuously managed and operated food and beverage concessions and/or catering services for a minimum of 5 years in one or more performing arts centers or facilities, theaters, museums, convention centers or other similar facilities and must have achieved gross sales of at least \$1 million per year at one or more of its operations. The Proposer must also provide its financial capacity as evidenced by the submission of audited financial statements for its most two recent years of operation.

Each Proposer must submit **Submittal A** as shown in **Exhibit J**. In addition to other requirements, Proposer must provide evidence that it has the minimum five year operating experience, at least \$1 million of gross sales at one of its operations, and sufficient financial capacity.

Any proposal that does not meet the Minimum Qualification Requirements will be considered non-responsive and will not be eligible for the Selection Committee ranking and award of the Agreement.

3) Statement of Ability to Comply with City and County of San Francisco Requirements (Submittal B)

The successful Proposer will be required to enter into an Agreement that will set forth the terms and conditions of the War Memorial, including those required by applicable local, state and federal law. Some of the municipal codes are referenced in this RFP, but the San Francisco Charter and San Francisco Administrative Code are available at: http://www.amlegal.com/codes/client/san-francisco_ca

These codes are for reference only and are subject to change.

Each Proposer must submit a written acknowledgement in the form of **Submittal B** as shown in **Exhibit K**, that it has reviewed and understands City and other governmental provisions including those set forth in this RFP.

4) Narrative Proposal

Each Proposer must provide a Narrative Response to the requested information below. Each of the subsections below must be addressed.

The Proposer's Narrative Proposal will be reviewed and evaluated on the criteria described in **Section VIII.B** below.

i. Qualifications & Experience

- a) Describe the history and structure of Proposer's organization, including an organizational chart and location of its permanent office closest to the Center.

Request for Proposal
Food and Beverage Concessions and Catering Agreement

- b) Describe Proposer’s experience and expertise in operating food and beverage services at facilities similar to the Center and how that experience might translate into the proposed Center operation.
- c) Provide examples of partnerships or collaborations that have contributed to successful operations at other comparable venues. Propose any partnerships or collaborations for the proposed operations and provide how that partnership or collaboration would work functionally.
- d) 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 the Proposer’s management or operational experience in food and beverage services.

ii. Management and Staffing

- a) Identify core management personnel, including their experience (including licenses, certifications as well as recommendations), who will be assigned to perform work at the Center. Include an overall organization chart of management and staff positions.
- b) Discuss approach to customer service, employee training, and monitoring of concessions to ensure high standards are maintained and overall management performance of the operation is strong. Describe the mechanism of how complaints will be resolved. Explain the level of decision-making authority that will be given to the local level to assure on-going superior customer service.
- c) Demonstrate how the Proposer will promote and market the Center’s venues.

iii. Operational Plan

- a) Describe how the Proposer intends to service each of the Center’s venues, given challenges of a single kitchen in the Opera House. Provide an operational plan that shows how service might be performed and how the Proposer might supplement kitchen capacity, if deemed necessary.
- b) Describe how the Proposer balances the schedule of performances, the uncertainty of concessions sales at each Center venue with the inventory of perishable goods (i.e., how would Proposer manage unused inventory; how would Proposer ensure sufficient inventory?).
- c) Develop a vision for the Café in the Opera: should it remain as primarily buffet operation during performances or are there feasible/efficient alternatives that would create variety of menus at competitive values? Propose any changes to the physical layout and décor that may improve the functionality and ambience of the space.
- d) Develop a strategy for the orchestra-level “Tuning Fork” Intermission Bar in Davies Symphony Hall, including thoughts on expanding offerings and streamlining services.

Request for Proposal

Food and Beverage Concessions and Catering Agreement

- e) Assuming a catering scenario for non-profit organizations, what considerations would the Proposer need to take to develop a quality menu/service proposal that would be affordable for such clients?
- f) Determine whether the Proposer's plan includes the Veteran's Building Café (i.e., does entity intend to self-manage the Café operation, subcontract its use with a separate café operator, or propose that War Memorial manage that space?). If Proposer includes the Café as part of its overall operation, then:
 - How would the operation be integrated/separated from the Concessions Services during performances?
 - What steps need to be taken to increase Café patronage and revenue?
- g) Propose techniques to reduce patron wait times, including a pre-ordering system that could be effectively used in a multi-tiered auditorium (e.g., describe the feasibility of implementing an easy-to-use technology that would allow placement of goods at easy-to-identify designated areas within the Center's venues).

iv. Food and Beverage Products

- a) Propose sample concessions menu items, portion sizes and pricing information for each of the Center's venues. Discuss how/whether menu items reflect San Francisco expectations for organic, local, and sustainable foods. Explain how the menu would reflect the expectations of the War Memorial and Constituents.
- b) There is a wide range of catered activities at the Center, from small scale receptions to large scale events, sponsored by both non-profit Constituents and Licensees. Provide examples of Proposer's experience in providing superior quality Catering Services, and discuss how Proposer can provide Catering Services and menus that are competitive in the San Francisco market. In particular, explain how Proposer will work with non-profit Constituents and Licensees that combines providing product quality and variety while managing costs for catered events which often may include service of non-profit Constituents' and Licensees' donated products.
- c) Propose sample Veterans Building Café menu items, portion sizes and pricing information. Discuss how/whether menu items reflect San Francisco expectations for organic, local, and sustainable foods. Explain how the menu would reflect the expectations of the War Memorial and Café guests.

v. Financial Proposal

Based on the terms provided in this RFP, propose a set of financial terms either as a commission-based agreement or as an alternative structure. If an alternative structure is proposed, justification for this must be demonstrated. The proposal should also include the proposed budget and timing for Operator's investment for improvements and any pre-opening costs.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

5) Financial Pro Forma

Reflecting the above narrative financial proposal, each Proposer must provide in an Excel worksheet (or comparable format) showing a projected three (3) year Financial Pro Forma. The pro forma should generally follow the standard using the Uniform System of Accounts for Restaurants or as shown below:

Gross Receipts: Show by each Center venue, by concessions and catering, and by food and beverage receipts.

Cost of Sales: Show by food and beverage cost.

Gross Profit

Operating Expenses: Show employee payroll, payroll taxes and employee benefits, fees paid to War Memorial, fees paid to Concessions Equipment Replacement Fund, and expenses for repairs and maintenance, marketing, utility services, insurance, credit card fees, licenses and permits, general and administrative, and other.

Income before Interest and Non-Operating Expenses

Income before Taxes

Net Profit/Loss

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

VIII. SELECTION PROCESS AND EVALUATION CRITERIA

A. Selection Process and Proposal Evaluation

Proposals received by the submittal deadline which satisfy the Minimum Qualification Requirements will be evaluated by a selection committee composed of representatives from the City and County of San Francisco and Constituents (“Selection Committee”).

The written proposals will be scored and ranked by the Selection Committee. Only the top three highest ranked Proposers will be short-listed and continue with an oral interview. After the conclusion of the oral interviews, the Selection Committee will rank each Proposer and the results will be presented to the War Memorial Board of Trustees for their consideration, including possible approval or other action as further described in **Section IX.L.**

The War Memorial Board of Trustees reserves the right to request that Proposers clarify or provide additional information. The War Memorial Board of Trustees also reserves the right to conduct its own interviews and/or request Proposer presentations.

The War Memorial Board of Trustees’ selection of the successful Proposer will allow the War Memorial staff to negotiate an Agreement. Upon successful negotiation of the Agreement, the Agreement will be considered by the War Memorial Board of Trustees for approval.

If negotiations are not successful or the Agreement is not approved, then the War Memorial Board of Trustees shall have the right to begin contract negotiations with the next highest proposer.

B. Evaluation Criteria

Proposals that meet the Minimum Qualifications Requirement will be reviewed and evaluated by the Selection Committee in accordance with the criteria below:

<u>Criteria</u>	<u>Points</u>
1. Qualifications & Experience <i>Demonstration that the Proposer has the breadth, depth, financial capacity, and track record to successfully operate the proposed operation.</i>	20
2. Management and Staffing <i>Proposed ability, flexibility and initiative of key personnel to deliver the requested performance.</i>	15
3. Operational Plan <i>Demonstration that the Proposer understands the operational challenges and complexity of providing service to the Center, and possesses the creativity and innovation to implement a successful food and beverage operation.</i>	20
4. Food and Beverage Products <i>Ability to provide products that are high quality, display a variety of food and beverage menus that are attractive to local tastes and expectations, and reflect competitive good value.</i>	15
5. Financial Proposal (including Financial Pro Forma) <i>Demonstration of a proposal that reflects an understanding of the</i>	20

Request for Proposal
Food and Beverage Concessions and Catering Agreement

terms described in this RFP, the viability of the proposed operation, the reasonableness of the financial offer, an ability to fund continuing operations from cash flow generated by the operation, and the ability to optimize Gross Receipts.

6. Oral Interview 10

Ability to convey how Proposer will successfully manage operations that both generate revenue while meeting the goals of the War Memorial.

Total

 100

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

IX. TERMS AND CONDITIONS FOR RECEIPT OF PROPOSALS

A. Errors and Omissions in RFP

Proposers are responsible for reviewing all portions of this RFP. Proposers are to promptly notify the War Memorial, in writing, if the Proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to the War Memorial promptly after discovery, but in no event later than five working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

B. Inquiries Regarding RFP

Inquiries regarding the RFP and all notifications of an intent to request written modification or clarification of the RFP, must be directed to:

Mail: San Francisco War Memorial and Performing Arts Center
401 Van Ness Avenue, Suite 110
San Francisco, CA 94102

Email: wmpac-rfp@sfgov.org

C. Objections to RFP Terms

Should a Proposer object on any ground to any provision or legal requirement set forth in this RFP, the Proposer must, not more than ten (10) calendar days after the RFP is issued, provide written notice to the War Memorial setting forth with specificity the grounds for the objection. The failure of the Proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

D. Change Notices

The War Memorial may modify the RFP, prior to the proposal due date, by issuing Change Notices which will be posted on the War Memorial website at: <http://www.sfwmpac.org/food-beverage-RFP>.

Change Notices will also be sent via email or regular, first class U.S. mail to the last known business address of each entity listed with War Memorial as having received a copy of the RFP for proposal purposes. The War Memorial will make reasonable efforts to notify Proposers in a timely manner of modifications of the RFP.

Notwithstanding this provision, the Proposer is responsible for ensuring that its proposal reflects any and all Change Notices issued by War Memorial prior to the proposal due date regardless of when the proposal is submitted. Therefore, the War Memorial recommends that the Proposer consult the website frequently, including shortly before the proposal due date, to determine if the Proposer has downloaded all the Change Notices.

E. Term of Proposal

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

Submission of a proposal signifies that the proposed services and fees are valid for 120 calendar days from the proposal due date and that the proposed services and fees are genuine and not the result of collusion or any other anti-competitive activity.

F. Revision of Proposal

A Proposer may revise a proposal on the Proposer's own initiative at any time before the deadline for submission of proposals. The Proposer must submit the revised proposal in the same manner as the original. A revised proposal must be received on or before the proposal due date.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the proposal due date for any Proposer.

At any time during the proposal evaluation process, the War Memorial may require a Proposer to provide oral or written clarification of its proposal. The War Memorial reserves the right to make an award without further clarifications of proposals received.

G. Errors and Omissions in Proposal

Failure by the War Memorial to object to an error, omission, or deviation in the proposal will in no way modify the RFP or excuse the Proposer from full compliance with the specifications of the RFP or any agreement awarded pursuant to the RFP.

H. Financial Responsibility

The War Memorial and the City accept no financial responsibility for any costs incurred by an entity in connection with this RFP. Proposals submitted in response to this RFP will become the property of the City and may be used by the City in any way deemed appropriate.

I. Proposer's Obligations under the Campaign Reform Ordinance

Proposers must comply with Section 1.126 of the S.F. Campaign and Governmental Conduct Code, which states:

No person who contracts with the City and County of San Francisco for the rendition of personal services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and the later of either (1) the termination of negotiations for such contract, or (2) three months have elapsed from the date the contract is approved by the City elective officer or the board on which that City elective officer serves.

If a proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the proposer is prohibited from making contributions to:

- the officer's re-election campaign
- a candidate for that officer's office

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

- a committee controlled by the officer or candidate.

The negotiation period begins with the first point of contact, either by telephone, in person, or in writing, when a contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the contractor. Examples of initial contacts include: (1) a vendor contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (2) a city officer or employee contacts a contractor to propose that the contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:

1. Criminal. Any person who knowingly or willfully violates section 1.126 is subject to a fine of up to \$5,000 and a jail term of not more than six months, or both.
2. Civil. Any person who intentionally or negligently violates section 1.126 may be held liable in a civil action brought by the civil prosecutor for an amount up to \$5,000.
3. Administrative. Any person who intentionally or negligently violates section 1.126 may be held liable in an administrative proceeding before the Ethics Commission held pursuant to the Charter for an amount up to \$5,000 for each violation.

For further information, proposers should contact the San Francisco Ethics Commission at (415) 581-2300.

J. Sunshine Ordinance

In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

K. Public Access to Meetings and Records

If a Proposer is a non-profit entity that receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the S.F. Administrative Code, the Proposer must comply with Chapter 12L. The Proposer must include in its proposal (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to Proposer's meetings and records, and (2) a summary of all complaints concerning the Proposer's compliance with Chapter 12L that were filed with the City in the last two years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such complaints were filed, the Proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L or material misrepresentation in Proposer's Chapter 12L submissions shall be

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

grounds for rejection of the proposal and/or termination of any subsequent agreement reached on the basis of the proposal.

L. Reservations of Rights by the War Memorial

The issuance of this RFP does not constitute an agreement by the War Memorial or the City that any contract or agreement will actually be entered into by the War Memorial. The War Memorial expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, proposal, or proposal procedure;
2. Reject any or all proposals;
3. Reissue a Request for Proposal;
4. Prior to submission deadline for proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the proposals;
5. Procure any materials, equipment or services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

M. No Waiver

No waiver by the War Memorial or the City of any provision of this RFP shall be implied from any failure by the War Memorial or the City to recognize or take action on account of any failure by a Proposer to observe any provision of this RFP.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

X. AGREEMENT REQUIREMENTS

A. Required Contractor Forms

Before the War Memorial can award any agreement, the successful Proposer must file the standard City forms related to:

1. Taxpayer Identification Number and Certification;
2. Business Tax Declaration;
3. San Francisco Administrative Code Declaration: Nondiscrimination in Contracts and Benefits.

Listings and internet links of Required Contractor Forms are provided in **Exhibit L**.

B. Standard Contract Provisions

The successful Proposer will be required to enter into an agreement with the War Memorial that contains the terms and conditions noted in this RFP, and which contains additional terms and conditions including, but not limited to, the terms and conditions set forth in **Exhibit M**, which is attached hereto and incorporated by reference. Failure to execute the Agreement in a timely manner, or to furnish any and all insurance certificates and policy endorsements, surety bonds or other materials required in the Agreement, shall be deemed an abandonment of a contract offer. The War Memorial, in its sole discretion, may select another Proposer and may proceed against the original selectee for damages.

**Request for Proposal
Food and Beverage Concessions and Catering Agreement**

XI. PROTEST PROCEDURES

A. Protest of Non-Responsiveness Determination

Within five working days of the City's issuance of a notice of non-responsiveness, any Proposer that has submitted a proposal and believes that the City has incorrectly made such a determination may submit a written protest. Such written protest must be received by the City on or before the fifth working day following the City's issuance of non-responsiveness.

The protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Proposer and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest. The City reserves the right to proceed to the next stage of the selection process with the responsive Proposers during the five-day protest period.

B. Protest of Contract Award

Within five working days of the City's issuance of a notice of intent to award the contract, any Proposer that has submitted a responsive proposal and believes that the City has incorrectly selected another Proposer for award may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day after City's issuance of the notice of intent to award.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Proposer and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

C. Delivery of Protests

All protests must be received by the due date. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) will not be considered.

Protests must be delivered to:

Managing Director
San Francisco War Memorial and Performing Arts Center
401 Van Ness Avenue, Suite 110
San Francisco, CA 94102
Elizabeth.Murray@sfgov.org