Commercial Development
Request for Proposal

Des Moines Airport Authority
5800 Fleur Drive
Des Moines, IA 50321

All proposals are due on or before 11:00 A.M., CDT, March 29, 2019.

One original paper and two (2) paper copies of the proposal, along with one electronic copy shall be submitted at:

Des Moines Airport Authority
Attn: Director of Finance
Commercial Development Proposal
5800 Fleur Drive, Suite 207
Des Moines, IA 50321

Requests for clarification regarding this RFP must be made to the Director of Finance at bcmulcahy@dsmairport.com. Written answers to requests for clarification will be posted to the Authority website in the form of an addendum to this RFP as questions are received and answered.

Electronic copy of this Request for Proposal is available on line at http://www.dsmairport.com/about-the-airport/current-airport-rfps.aspx or by contacting the Director of Finance at bcmulcahy@dsmairport.com.

In all cases, no verbal communications will override written communications and only written communications are binding. The Authority reserves the right to schedule proposer interviews at its discretion in order to fully evaluate competing proposals.
REQUEST FOR PROPOSALS SUMMARY
COMMERCIAL DEVELOPMENT

1. INTRODUCTION

The Des Moines Airport Authority ("Authority"), as owner and operator of the Des Moines International Airport ("DSM" or "Airport"), hereby requests written proposals for commercial development of available land at the Airport.

Interested parties should review the current Airport Layout Plan which can be downloaded at http://www.dsmairport.com/about-the-airport/current-airport-rfps.aspx. The Authority will consider proposals for commercial development of parcels A through F identified in the attached exhibit labeled Development Areas. Planned future facilities are indicated in purple in the Exhibit. The Authority will make no comment on or reply to any questions regarding the specific zoning of any property. Parties wishing to propose must be familiar with airport land use restrictions, specifically 14 CFR Part 77 – Safe, Efficient Use, and Preservation of the Navigable Airspace, of the Federal Aviation Regulation, to which proposals must adhere.

The Authority’s goal with the solicitation of commercial development proposals is to determine the highest and best use of Airport property. Proposals must include a business plan to include form and terms of proposed agreement, such as a traditional land lease, concession agreement, management agreement or other potential joint venture. Current land lease rates with access to the airfield, or potential access to the airfield, are set at $.75 per square foot. Land lease rates without access to the airfield are based on market rates. Due to other capital improvements planned at the Airport over the next decade, the Authority will only consider making infrastructure related investment as potential assistance for proposed projects.

2. BACKGROUND

The Airport is situated on approximately 2,800 acres of land on the southwest side of Des Moines, Iowa. The Airport is a commercial service airport serving all of Iowa with facilities to accommodate all phases of air transportation with two 9,000 foot runways, 13/31 and 05/23. DSM is classified as a small hub airport by the Federal Aviation Administration, with 100% origination and destination traffic. During calendar year 2017, the Airport accommodated approximately 2.5 million airline passengers, and 68,500 U. S. tons of air freight and mail. Through November 2018, airline passenger growth is up 7% over the prior calendar year.

The Authority was established in 2011 and operates as a self-sustaining entity that receives no local funding. The Authority is managed by a five member board appointed by the mayor of the City of Des Moines, Iowa. The Authority holds a 99 year ground lease with the City of Des Moines for the Airport property, and all improvements on the property are owned by the Authority or current tenant. The Airport is currently serviced
by carriers on behalf of Allegiant, American, Delta, Frontier, Southwest and United. As of November 2018, non-stop commercial service includes the following destinations:

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<th>City</th>
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<tr>
<td>Atlanta</td>
<td>Houston</td>
<td>Orlando</td>
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<tr>
<td>Charlotte</td>
<td>Las Vegas</td>
<td>Philadelphia</td>
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<td>Chicago</td>
<td>Los Angeles</td>
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<td>Dallas</td>
<td>Minneapolis</td>
<td>Punta Gorda</td>
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<td>Denver</td>
<td>New York City</td>
<td>Salt Lake City</td>
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<td>Detroit</td>
<td>Newark</td>
<td>San Francisco</td>
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<td>Tampa/St. Petersburg</td>
<td>Washington, DC</td>
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In addition to the airlines mentioned above, other major tenants of the Airport include air cargo airlines FedEx and United Parcel Service, seven car rental brands, restaurant and gift shop concessions, U.S. Customs Office, FAA Air Traffic Control Tower, FAA Airways Facilities Office, and the Iowa Air National Guard Headquarters.

General aviation at the Des Moines International Airport is serviced by three Fixed Based Operators, Elliott Aviation and Signature Flight Support, who operate under lease agreements with the Authority, utilizing Authority owned infrastructure and assets. Des Moines Flying Service provides aircraft sales and maintenance services on the airfield.

The Authority is in the early stages of replacing its nearly 70-year-old terminal building. A Terminal Programming Study was completed in 2018 and is available on the Airport’s website at [https://www.dsmairport.com/about-the-airport/new-terminal-documentation/default.aspx](https://www.dsmairport.com/about-the-airport/new-terminal-documentation/default.aspx). As currently planned, the new terminal construction would follow the completion of runway and taxiway reconstruction projects projected to be finished in 2023. Additional operations and enplanement information not included in this RFP may be found on the Authority’s website at [www.dsmairport.com](http://www.dsmairport.com).

Authority annual financial reports may be obtained by request to the Director of Finance at bcmulcahy@dsmairport.com.

3. COMPLETING AND SIGNING PROPOSALS

A. Each proposal must be complete and signed by an authorized official representing the Proposer. The Proposer's full business address must be given. Proposals by partnerships must be signed with the partnership name by one of the general partners. Proposals by corporations must bear the proper corporate name, state of incorporation, and signature and designation of an officer authorized to bind it in the matter.
B. Proposals shall be submitted in the following format:

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<th>TAB</th>
<th>SUBJECT</th>
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<tr>
<td>I.</td>
<td><strong>Executive Summary</strong> of proposed development</td>
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<td>II.</td>
<td><strong>Commercial Development Plan</strong> – Business plan which discusses the financial benefit to the Authority, critical assumptions in developing the plan, initial sketches of proposed development, massing diagram, and specific data on the heights and sizes of any buildings proposed on Airport property.</td>
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<td>III.</td>
<td><strong>Proposer Biography</strong> – Individual or Corporate biography of proposing entity, including specific experience in the commercial development proposed.</td>
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<td>V.</td>
<td><strong>References</strong> – Financial reference letter from bank.</td>
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4. GENERAL PROVISIONS

A. Proposals submitted will become the property of the Authority. The Authority may select any proposals deemed to be in the best interest of the Authority for further development. All proposals may be rejected.

B. **Proposals Not Confidential; Proposer Requests for Confidentiality under Iowa Open Records Law, Chapter 22 of Iowa Code; Disclosure of Proposal Content**

Under Iowa Code chapter 22, "Examination of Public Records", all records of a governmental body are presumed to be public records, open to inspection by members of the public. Section 22.7 of the Iowa Code sets forth a number of exceptions to that general rule, establishing several categories of "confidential records". Under this provision, confidential records are to be kept confidential, "unless otherwise ordered by a court, by the lawful custodian of the records, or by another person duly authorized to release such information". Among the public records which are considered confidential under this Iowa Code provision are the following:

22.7(3). Trade secrets which are recognized and protected as such by law.
22.7(6). Reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose.

The Authority, as custodian of the proposal submitted in response to a Request for Proposals, may, but is not required, to keep portions of such proposals confidential under Iowa Code Sections 22.7(3) and 22.7(6) noted above. If a responding individual or company determines that a portion or portions of its proposal constitute a trade secret, or should otherwise be kept confidential to avoid giving advantage to competitors, a confidentiality request may be submitted with the proposal identifying which portion
or portions of the proposal should be kept confidential and why. The burden will be on each individual Proposer to make a confidentiality request and to justify application of a confidentiality exception to its proposal. The Authority will not under any circumstance consider the entire proposal to be a confidential record.

If a request is made by a member of the public to examine a proposal including the portion or portions for which a confidentiality request has been made, the Authority will notify the Proposer and will keep confidential that portion of the proposal covered by the confidentiality request, pending action by the Proposer requesting confidentiality to defend its request. In that notification, the Proposer requesting confidentiality will be given not more than five calendar days within which to file suit in Polk County District Court seeking the entry of a declaratory order and/or injunction to protect and keep confidential that portion of its proposal. Absent such action by a Proposer requesting confidentiality the entry of a court order declaring such portion or portions of the proposal confidential, the entire proposal will be released for public examination. The Proposer shall indemnify the Authority for any attorneys’ fees and court costs the Authority may incur or that be awarded against it as a result of complying with the Proposer's request for confidentiality.

C. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OF AIRPORT PROPERTY, OR ANY OTHER WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT THERETO. In no event shall the Authority be liable for any loss or damage in connection with or arising out of this RFP, except as may be specifically set forth in the RFP.

In connection with the negotiation and execution of a lease, it will be the sole responsibility of the successful Proposer to investigate the environmental conditions in and around any property included in a lease, if deemed necessary. Thus, the Authority anticipates that the successful Proposer will make its own determination as to what further investigation of the environmental conditions are deemed necessary, if any, during the preparation of a lease. The Authority and the successful Proposer shall make arrangements for any such investigation subsequent to selection, if deemed necessary.

5. TECHNICAL EVALUATION

An evaluation committee will review all proposals. The committee will make recommendations to the Authority Board.
6. EXCLUSIVE AGREEMENT

Any agreement that results from this Request for Proposals constitutes the exclusive Agreement between the parties. Submission of a proposal by proposer and acceptance of that proposal by the Authority does not constitute an agreement of any type.

7. REQUIRED PROVISIONS

Any negotiated agreement will contain provisions required by the FAA, including but not limited to: non-discrimination, civil rights, just services, exclusive rights, disadvantaged business enterprise (DBE) and will be subordinate to agreements between the Authority, the United States of America, and the state of Iowa.