

**Request for Proposals to Develop, Market, Lease and Manage  
Food and Beverage, Travel Essentials, Specialty Retail, Duty Free and Services Concessions  
at John F. Kennedy International Airport, Terminal 8**

The information below is provided in response to written questions received as part of American Airlines' request for proposals. Please review this information carefully as it pertains to the preparation of proposals. This information is to be used as part of this RFP and for no other purpose.

Please note that in some cases, a single response has been provided for multiple questions, and that some questions received are not listed here because they are still under internal review. Should additional information become available, a revised version of this document will be made available. American reserves the right to change or modify this information at any time.

#	Question	Response
1	Do you plan to open a data room in order for the Respondents to have access to important information, including current contracts between URW and American and between URW and subtenants, financial statements from current operators and developer, # staff per subtenant, precise terminal plans?	This type of information is considered proprietary and cannot be shared as part of the RFP process.
2	How do you explain the decrease in international traffic from AA between 2016 and 2019?	American is not able to provide this information.
3	What is the plan and dates for JetBlue's T6 construction and T7 demolition?	American does not have any information regarding JetBlue's construction plans, apart from what has been publicly announced by JetBlue and/or the Port Authority.
4	Following the demolition of T7 in 2022, is it safe to assume a 100% shift of oneworld airlines (BA, Iberia, Alaska Airlines) from T7 to T8 or the shift, should there will be any, would be gradual over couple years starting from 2023?	American is not able to share information that has not been publicly announced.
5	What are the guarantees for the relocation of BA in T8?	American and British Airways have executed an agreement for BA to relocate to Terminal 8 effective December 2022.
6	Are all LATAM operations shifted to T4 in February 2020?	Yes.
7	What are the 2019 capacity constraints at the airport (or by terminal) and, if some, what are their impact on traffic?	A major runway project in 2019 limited capacity for all airlines at the airport.

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8	<p>What is the assumption for recovery years (recovering 2019 levels) for T8 separately for domestic and international? What levels of traffic would be assumed for the year until recovery again separately for domestic and international for T8? What would be pace of recovery compared to total JFK and USA?</p> <p>Where does the increase in international traffic come from (besides BA) for Base and Best case (between organic growth from currently operating airlines in T8 and airlines coming in T8)?</p> <p>More specifically, it is mentioned in the RFP that other partner airlines will join. Could you please specify what are the RFP assumptions regarding these airlines (name, alliance, country of origin)?</p> <p>Could you please detail the bottom-up assumptions behind the traffic figures for international traffic (e.g., airlines, destinations, frequencies, type of aircraft) in the 3 scenarios?</p> <p>What are the possible developments in terms of international routes and capacity for AA (e.g., South East Asia, North Asia, China, Europe, South America)?</p> <p>In the base and best cases, where does the domestic traffic growth will come from if there will be fewer AA domestic flights?</p> <p>In seat capacity data, it is observed a huge increase in Nov and Dec 2021 compared to same months of 2019 (~50%), is the demand for holiday season only reason for such capacity increase? What will be the capacity level compared to 2019 in 2022?</p> <p>Could you please detail the bottom-up assumptions behind the traffic figures for domestic traffic (e.g., airlines, destinations, frequencies, type of aircraft) in the three scenarios?</p> <p>Why do we witness a drop in traffic for Dom segment between 2023 to 2024?</p> <p>Which additional / new routes and frequency increases is American Airlines planning to implement in the next 5 years? Which routes are under review to be dropped / reduced in frequency? Can you please share additional or expand upon historic and future enplanement numbers for British Airways considering their co-location in T8 from 2022 onwards (historic enplanements, destinations, enplanement forecast, planned new routes/frequency increases etc.)</p>	<p>American is not able to disclose information regarding future schedules or routes not publicly disclosed. Traffic projections included in the RFP are based on our own best estimates of American's and other Terminal 8 carriers' future enplanements.</p> <p>Regarding the recovery of air traffic to pre-pandemic levels, the industry generally assumes that domestic traffic will fully recover by late 2022, and that international traffic will extend its recovery into 2023 and 2024, with some regions reaching pre-pandemic levels faster than others.</p> <p>While future route development plans are proprietary and confidential, the announced relocation of British Airways to T8 is an important component of the forecast scenarios shown in the RFP, along with further growth of the Northeast Alliance with JetBlue, and the potential relocation of other carriers to T8 that have not yet been announced.</p> <p>Specific bottom up assumptions included in American's forecast are proprietary.</p>
9	<p>Can we have a discussion with the NYNJ Port Authority Route Development team about traffic assumptions and airlines allocation in relation to this RFP?</p>	<p>Non-public information about traffic or routes cannot be shared by American or the Port Authority.</p>
10	<p>Could you provide the current compensation structure and details between the subtenants and URW Airports?</p> <p>Could you provide the current compensation structure and details between URW Airports and American and the Port Authority?</p>	<p>This type of information is considered proprietary and cannot be shared as part of the RFP process.</p>
11	<p>Should we build projected financial data based on the 3 different traffic scenarios ?</p>	<p>Yes, please utilize the 3 passenger forecast scenarios in the RFP to build financial projections to be included in RFP response submittals.</p>

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12	Could you share historical figures besides 2019 (e.g., annual figures for 2015-2020 period) for the data shown in Table 4?	Additional historical figures have been added to the RFP in Exhibit L, available at <a href="https://www.anewjfk.com/work-with-us/work-with-american-airlines/">https://www.anewjfk.com/work-with-us/work-with-american-airlines/</a> .
13	Does the amount of initial investment (\$800/sf for Food & Beverage and \$650/sf for Retail for the first 3 years) include both investments from the Respondent and the subtenants or only include investments from the Respondent?	The initial investments referenced here are inclusive of those made by the Respondent, subtenants, or a combination of the two.
14	Does the \$800/sf apply to all categories of retail activities (i.e., travel essentials, specialty retail, duty-free, currency exchange, services) or only to specific categories?	According to the RFP, the minimum initial investment for retail is \$650/sf and applies to all of the retail categories. \$800/sf is the amount required for Food and Beverage space.
15	Can the \$10 million Capex to be invested during the first 3 years in the public areas be freely allocated by the Respondent or will a specific list of investments be provided by AA? In case of the latter, does the Respondent have flexibility regarding the list?	Respondents are free to propose how best to allocate the \$10M minimum capital investment. American expects to work closely with the selected Respondent to make the final determination as to how this investment will be allocated.
16	Can you please confirm that the sales data (e.g. Table 4) exclude any sales related tax?	Sales data in Table 4 does not include sales tax.
17	What is the current overall and per category participation percentage of ACDBEs businesses?	American is not able to share this information. The participation targets listed in the RFP are the requirements for the new Program.
18	Should the 30% ACDBE participation target be applied to all categories (e.g., food/beverage, specialty retail) or is it an overall target on total receipts?	The 30% ACDBE participation target is an overall target applicable to total receipts.
19	Is there a deadline to reach the minimum ACDBE percentage throughout the concession period, in the case that there is a ramp-up phase?	There is no specific deadline; however, American expects the Retail Manager to show significant progress starting in the first year of the program and to maximize participation throughout development.
20	What is the current overall and per category participation percentage of MWBE businesses (for each MBE and WBE)?	American is not able to share this information. The participation targets listed in the RFP are the requirements for the new Program.
21	Is there a deadline to reach the minimum MWBE participation percentage throughout the concession period, in the case that there is a ramp-up phase?	There is no specific deadline; however, American expects the Retail Manager to show significant progress starting in the first year of the program and to maximize participation throughout development.
22	Is there a minimum percentage that has been defined for LBE participation? Is it a percentage on the number of venues, square feet or revenues?  What is the specific minimum percentage of Food & Beverage venues to be subleased and operated by New York City-based businesses?	There is no minimum requirement defined for Local Business Enterprises (LBE) participation. The lease agreement between American and the Port Authority, provisions of which are applicable to all sublessees, requires the use of every good faith effort to maximize the participation of LBEs in all phases of work and operation carried out under this agreement, and so long as such does not violate the 30% ACDBE participation goal requirements.
23	Is there a deadline to reach the minimum LBE participation percentage throughout the concession period, in the case that there is a ramp-up phase?	There is no specific deadline; however, American expects the Retail Manager to show significant progress starting in the first year of the program and to maximize participation throughout development.
24	Is it possible to use the experience and references of the Respondent's affiliates (e.g. ultimate parent company), even if the Respondent is not a newly-formed entity?  Is it possible to use the indirect parent company's financial references?	American will consider all relevant experience and references included in Respondents' proposal as part of the evaluation process.

#	Question	Response
25	<p>Can we expect, some time during the process, to receive a draft of the development, marketing, leasing and management Contract, with a possibility to propose amendments, as the case may be?</p> <p>Please provide a copy of the draft agreement between American Airlines and the selected developer.</p>	American is finalizing the draft agreement to be shared with prospective respondents prior to completion of the RFP.
26	<p>In the same way, can we expect to receive a draft of the security deposit letter of credit and construction performance bond?</p>	<p>Letters of credit should be drafted and issued by Respondent's bank, should be irrevocable, issued by a bank with an investment-grade credit rating, and payable in USD at a bank in New York City. If possible, Respondent should send a draft of the letter of credit to American for review in advance to ensure it can be accepted.</p> <p>If the Issuing Bank does not have an investment-grade credit rating, there should be a Confirming Bank meeting this criteria. Respondent is responsible for all fees associated with the letter of credit.</p> <p>Construction performance bonds should follow the form shown in Exhibit M of the most recent version of the RFP.</p>
27	<p>Referring to VII.E.8 of the RFP, is there any specific preference with regards to compensation structure? For example can the respondent offer:</p> <ul style="list-style-type: none"> <li>- an upfront payment to be financed by Respondent</li> <li>- a progressive revenue share (lower in the beginning, increasing over years)</li> <li>- an upside sharing mechanism where a higher revenue share is offered in case revenues of Respondent are above a certain scale?</li> </ul> <p>or is it preferable to offer a fixed stable revenue sharing?</p> <p>In order to provide a more robust financial proposal, can the Respondent enter into financing structures which might require assignment of its contractual rights to a Financing party or pledging of its shares?</p> <p>Is there any relief mechanism (e.g. extension or relaxing of MAG) to be envisaged in the contract in case the ongoing pandemics provide more adverse impact on longer term?</p>	<p>Respondents should include their best proposal for how to structure compensation and financial arrangements as part of their proposal.</p> <p>American will evaluate financial proposal structures once received.</p>
28	<p>Article 1 refers to the term of the Contract as [.. for a term to begin on or about April 1, 2022 and expire on December 31, 2036 (unless earlier terminated by American as provided in the Contract)..]. Can you please clarify the termination conditions?</p>	Contract termination details will be available for review as part of the draft agreement that will be shared with Respondents.
29	<p>Minimum Annual Guarantee: could you confirm MAG proposal based on a MAG per Departing Pax model is compliant?</p>	American does not consider a passenger-based structure to meet the minimum annual guarantee requirement of the RFP.
30	<p>Would AA consider a global MAG or MAGs on a category by category basis</p>	Both global and category-specific MAGs will be considered as part of the RFP evaluation process.
31	<p>What would be the periodicity of MAG Calculations?</p>	Respondents should include MAG calculation frequency as part of their proposal.
32	<p>Is it possible to include common lounge areas in the proposed concept?</p>	No, this is a Reserved Use by American

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33	<p>How much flexibility do bidders have to propose design alternatives by adjusting the scope of the proposed concessions layout in the RFP by changing the layout and increasing SF?</p> <p>How much flexibility do bidders have to propose design alternatives adding building footprint aimed at increasing/improving concession areas?</p>	<p>Bidders have flexibility to propose alternative designs and layouts that support the goals of the Program, provided such changes are not detrimental to flight and passenger operations.</p>
34	<p>The layout in exhibit B2 shows possible removal of moving walkways. Is that confirmed? If yes, can the freed up area be made available for concession kiosks, etc.?</p> <p>The four (4) existing moving walkways in Concourse B and Concourse C are shown in Exhibit B2 with the note "Assume moving walkway removal pending PANYNJ approval". Is the intention that the respondent should assume American Airlines will perform and pay for the removal or that the respondent should perform and pay for the removal?</p>	<p>American has had discussions with the Port Authority regarding removal of moving walkways in support of the Program and received their verbal consent. Final approval from American and the Port Authority is subject to review and approval of the proposed concept.</p> <p>Respondent would be responsible for the costs and work required to remove moving walkways in support of the Program.</p>
35	<p>What is the demarcation between the concession scope and base building scope for utility tie-ups? If new concessions area are created, does the base building provide tie-up at the concession limit, or does the concession developer have to make the tie-ups to existing services?</p>	<p>The developer will be responsible for all tie-ins to existing utilities.</p>
36	<p>Would AA consider to include offerings other than retail, concessions, and F&amp;B in our proposal?</p>	<p>Yes, American would consider additional concessions categories.</p>
37	<p>How much flexibility does bidder have to alter the AA design standard for the concessions area?</p>	<p>Altering design standards would be subject to American and Port Authority approval.</p>
38	<p>Are all the existing concession agreement "in play"? Or do we have to retain some or all of them?</p>	<p>Respondents should feel free to propose changes to any or all of the existing concessions locations. American generally expects to see the majority of spaces redeveloped; however, final decisions on specific concepts and locations will be made later and after further discussion with American.</p>
39	<p>Can existing operation configurations be modified to improve the concessions area and revenue potential?</p>	<p>All proposals for such synergies will be carefully considered. In developing these proposals, it is important to consider the impact on flight and passenger operations.</p>
40	<p>Is the proposed restroom enhancement program a given, or can changes be considered?</p>	<p>Changes to the restroom program are not being considered.</p>
41	<p>What percentage of existing concession operations can be taken off-line at any given time during construction?</p>	<p>Respondents should include construction phasing and timing of concession closures as part of their proposed Development Plan.</p>
42	<p>Is the existing loading dock and storage area the only means of delivering goods and services to the concessions area?</p>	<p>Yes, this is currently the only means of bringing goods into the Concessions Area. Alternative proposals would be subject to approval by American and the Port Authority.</p>
43	<p>How are goods and services currently delivered to Concourse C?</p>	<p>Supplies and materials are delivered via the landside loading dock at Concourse B and, once inspected, transported to Concourse C via the public underground walkway connecting the concourses and using freight elevators.</p>

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44	<p>Where will the future concessions operations office be located in the terminal? Will this space be provided or rented to the operator?</p> <p>How much office space is available for the developer's on-site team and is there a charge for this space? If so, what is the rate?</p>	<p>American will provide a concessions operations office at the terminal. The size and location of the office are still under consideration.</p>
45	<p>In addition to the information on Exhibit G, can American please provide sales information by tenant/space for 2018, 2019 and 2020 by Month?</p> <p>Can American please provide the rental and fee structure for each tenant listed on Exhibit K. This would include MAG, Percentage Rent, Rent Breakpoints and other fees for marketing, CAM, etc.?</p> <p>Can you please provide the contract terms and rental rates for any separate storage space agreements between the current developer and subtenants?</p>	<p>This type of information is considered proprietary and cannot be shared as part of the RFP process.</p>
46	<p>Are current tenants responsible for the trash/recycling compactors/hauling costs? If so, what are the current costs for these services?</p>	<p>Trash and recycling related costs are currently allocated to tenants as part of the common area maintenance expense. In 2019, these costs totaled \$140K and in 2020 totaled \$76K.</p>
47	<p>Are subtenants responsible for any additional costs such as real estate taxes or utilities?</p>	<p>The current subtenant lease agreement states that certain fees may be applicable such as Storage Premises Rent, Taxes, Miscellaneous Charges (e.g. employee parking, badging, etc.), Logistical Support and Public Area Maintenance, Utilities and Joint Marketing. American reserves the right to pass on additional fees imposed by the Port Authority related to the Concessions Program.</p>
48	<p>Can American please provide CAD files of the exhibit B1 and B2?</p>	<p>Please download the latest version of the RFP where CAD files for Exhibit B2 have been added as attachments.</p> <p><a href="https://www.anewjfk.com/work-with-us/work-with-american-airlines/">https://www.anewjfk.com/work-with-us/work-with-american-airlines/</a>.</p>
49	<p>Considering the co-location of British Airways to T8 from 2022 onwards, can you provide more detail information on the current Concessions Program in Terminal 7? i.e. historic sales and revenues, current operators, rental terms including MAG and %.</p>	<p>American does not have any information on the Terminal 7 concessions program.</p>
50	<p>Other than the purple space shown on Exhibit B is there additional storage space available to support the increased concession area? Is there a set per square foot fee for this space.?</p>	<p>American is working on determining if/where additional storage space might be provided for the Program.</p>
51	<p>Can you please detail the area(s) that the Developer would be responsible for providing janitorial and maintenance?</p>	<p>The selected Respondent would furnish, or cause to be furnished by subtenants, custodial and maintenance services for all common food hall/court public seating areas and other common concessions areas, as well as the handling and removal of all trash, garbage, and other refuse generated in connection with those public seating and other common areas, as well as from all concession locations.</p>

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52	<p>Section "O" of the RFP discusses the PANYNJ CRDW facility. As CRDW costs can have a significant impact on total subtenant occupancy costs and therefore subtenant rental structures, can American provide the anticipated costs for subtenants to use this facility. Additionally, will the developer be permitted to establish Standards of Operation and Performance on the CRDW operator if the subtenants in Terminal 8 are required to utilize this service?</p> <p>Section V part O "CRDW": Please clarify what costs, if any, will be passed on to the respondent and/or its subtenants for the future use of the CRDW.</p> <p>Will respondent be responsible for an airside receiving area in the Terminal? If so, what location does AA propose? Will freight elevators be needed?</p>	<p>American is not currently required to implement a CRDW. Respondents may propose changes to existing receiving processes in support of the Program, which would be subject to approval by American and the Port Authority.</p> <p>American does not have any information regarding potential costs or standards of operation that would be associated with a CRDW facility.</p>
53	<p>Unit M16 that is currently Bobby Van's Steakhouse is shown on Exhibit B1 and listed in Exhibit K but is not shown in Exhibit B2. This is an important component of the concessions program today. Should the respondent assume that the 5,390 SF is to remain available to be part of the respondent's proposal?</p>	<p>Please assume this space will be available and included in the Concessions Area. Exhibit B2 has been updated to reflect this change.</p>
54	<p>Exhibit I – One JFK Vision and Unified Design Elements: The document refers to the "development and implementation of the detailed program of One JFK elements based on documentation provided by the Port Authority". Can the respondent be directed to specific documents, requirements, specifications, etc. that directly relate to the expected Developer's scope of work to ensure alignment of scope and design to meet the expected elements? In particular, Section 15 refers to "Cohesive Finishes and Materials"; is there a standard set for JFK Terminal 8 that can be provided?</p>	<p>American does not currently have this information available. We will request additional detail on specific design elements, finishes and materials from the Port Authority.</p>
55	<p>Regarding the area noted in Exhibit B2 "2882 sf of existing concessions removed for terminal work." -Will the respondent or AA be responsible for the work and cost to remove and fit out this area? Is this project certain to proceed or proposal at this time? If removed, can the utility services for this space be rerouted for use in nearby new GLA?</p>	<p>American plans to keep this space included as part of the Concessions Program. Exhibit B2 has been updated to reflect this change.</p>
56	<p>Please provide the Master Lease and any amendments with PANYNJ.</p>	<p>All applicable terms in the Master Lease will be incorporated into the draft concessions agreement.</p>
57	<p>Is there specific weighting of each of the proposal components (ex. Experience &amp; Qualifications XX%, Development Plans XX%, etc.)?</p>	<p>American has not finalized the weighting of each criteria.</p>
58	<p>Are there any size or format requirements for the proposal (minimum or maximum size of hard copy, page count limitation, font size requirement, etc.)?</p>	<p>Please utilize PDF files where possible and provide supporting Excel files for numerical models and information supporting the proposal.</p> <p>Company financial statements should be provided via USB and/or hyperlink. Paper copies of these documents need not be included when submitting printed copies of the proposal.</p>

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59	What is the proposed time frame for construction?	American would like to see construction begin soon after commencement of the agreement and completed as quickly as possible with the knowledge that traffic will increase significantly starting in December 2022. Construction timeline and phasing should be part of Respondent's proposal.