



EDDC

ERIE DOWNTOWN
DEVELOPMENT
CORPORATION

REQUESTS FOR PROPOSALS

VENDORS

FOR

FLAGSHIP CITY FOOD HALL



I. Introduction

The Erie Downtown Development Corporation (“EDDC”) seeks one (1) additional vendor to join the initial line-up of already-announced vendors for Flagship City Food Hall (“FCFH”).

II. Background

A. An Opportunity to Reimagine Downtown Erie

FCFH is the first food hall planned in northwest Pennsylvania and is being developed in Erie's central business district along the historic North Park Row.

FCFH will be located on the first floor of the former Park Place/Sherlock's buildings as part of a larger mixed-use commercial development. In addition to FCFH, the development, located at 20-22 North Park Row and 508-510 State Street in downtown Erie, will house up to 14 upper floor residential units. The total investment by the EDDC into the property will be approximately \$10 million.

Food halls are upscale, boutique food-court style dining destinations located throughout many of the most vibrant downtowns across the nation. In several well documented cases, food halls have also been an essential tool in the revitalization of downtown communities across the country. The popularity and growth of food halls has been explosive in recent years, with more than 300 estimated locations around the country.



THE
FOOD HALL
AT FLAGSHIP CITY

FCFH holds a liquor license and plans to operate a full-service bar on site. The addition of alcohol sales is certain to bring about increased foot traffic to the food hall and increase the number of daily patrons for each FCFH vendor.

The EDDC is a nonprofit, 501(c)(3) real estate development company formed in 2017 by local private business and philanthropic leaders (See the EDDC website for the full list of Board members: <https://www.erieddc.org/>). The charitable mission of the organization is to revitalize Erie's downtown through real estate development. The EDDC plans to invest approximately \$100 million into downtown Erie within the next 5 years.

B. Flagship City Food Hall – Vision & Goals

The vision for FCFH is to fulfill the following goals:

- Provide fast, affordable, and quality prepared food for consumption on-site and off-site;
- Serve as a vibrant public resource, a key anchor of Erie's downtown commercial area, and as a gathering space for residents, tourists, and workers from all walks of life;
- Create an experience that stimulates all five senses;
- Encourage and cultivate local entrepreneurs in the food and beverage industries; and
- Serve as a regional attraction by showcasing the best of Erie's culinary talent.

C. Management & Design of Flagship City Food Hall

The EDDC selected Red Letter Hospitality ("Red Letter"), a full-service hospitality company, to manage FCFH. Red Letter is the acting general manager of FCFH and will have the authority to place and enforce reasonable expectations upon all the vendors to ensure the health and vitality of the operation. Operational issues, such as hours and days of operation, management of a central point of sale system, marketing and planning, will all be coordinated by and managed by Red Letter. Red Letter will be operating the bar that will serve all of FCFH.

Richardson Design Firm, an interior and experiential design firm with a specialty in the food and beverage industry, has been engaged to assist with the layout and design of FCFH. Currently, there is room for nine (9) vendor stalls, one (1) bar, and seating for 192.

A significant portion of the seating is flexible, enabling tables and chairs to be moved around for different events and activities. The buildings will be open to the public during established operating hours, so there are public restrooms.



See attached for the layout, design, and themes of FCFH.

D. Prospective Vendor Types

As mentioned in Section II, D, there is room for up to nine (9) vendors in FCFH.

The EDDC is interested in the following types of vendors:

- Fresh and healthy options, such as salads, smoothies, juices, and sushi;
- Traditional lunch and dinner options, such as sandwiches, hot dogs, hamburgers, chicken sandwiches, and pizza;

- Vendors that showcase Erie's rich cultural diversity, such as Asian, Middle Eastern, African, and Latin American cuisine; and
- Dessert options, such as ice cream, cupcake, cookie, and chocolate vendors.

Nonetheless, the EDDC is open to new and exciting ideas other than the list above.

If you have an exciting new concept, don't hesitate to pitch an idea!

The EDDC is working with Red Letter to cultivate the right mix and match of vendors.

Since one of the EDDC's goals is for FCFH to be a regional destination, EDDC wants to showcase its top culinary talent. The EDDC's preference is for vendors to be locally based businesses and operators. The EDDC does not desire to fill vendor stalls with national chains or franchises.

E. Vendor Expectations

With the goal of attracting visitors for breakfast, lunch, dinner, and post-dinner drinks, the EDDC and Red Letter recognize that different tenants may be operating for different time periods throughout the day. However, vendors will be expected to be open, appropriately staffed, and able to execute their menu during regular operational hours determined on consultation with Red Letter. FCFH is currently planned to be open from Monday thru Saturday, but reserves the right to be open on Sunday if market demand permits.

Vendor stalls range in size from 150 square feet to 450 square feet. Some of the vendor stalls will be equipped with standard kitchen equipment, such as grills and hoods. Any specialized or vendor-specific equipment will be the responsibility of the vendor.

Vendors will be expected to provide any individual signage and/or branding for their respective stall. However, the EDDC and Red Letter must approve of any signage and/or branding in advance.

Vendors will be expected to consistently deliver high-quality, fresh products. In addition, vendors will be expected to comply with all regulatory requirements. Since most of the visitors will come during lunch time, vendors will also be expected to serve a greater number at lunch. These visitors will expect a fast turnover in terms of service.

F. Anticipated Customers

FCFH is located within walking distance to several major employers, including Erie Insurance, Gannon University, UPMC Hamot, and the City of Erie and County of Erie governments. It is anticipated that a large portion of the customer base will come

during regular lunch hours; however, the draw of the bar located on site should bring in considerable dinner time and after-hours crowds.

The EDDC is in the process of developing more than 200 residential units and 100,000 square feet of commercial space in the area around FCFH. These additional buildings will come online over the next several years. As these buildings come online, the EDDC will spend more time, money, and effort to market downtown as a destination. Therefore, vendors can expect an increase in nighttime and weekend customers over the next several years.

G. Programming for Flagship City Food Hall

The EDDC will be involved in programming FCFH and the other real estate parcels that it owns on North Park Row and the surrounding blocks. Anticipated programming activities include public art displays, live music, and themed-nights and events. Programming activities elsewhere in North Park Row could include a curling league, pop-up events in empty spaces, and events connecting vendors in different buildings. The EDDC would welcome input on programming from the vendors.

H. Examples of Food Halls

Examples of food halls from other cities include:

- Smallman Galley in Pittsburgh (<https://www.smallmangalley.org/>)
- Expo Market in Buffalo (<http://www.expobuffalo.com/>)
- Avanti Food & Beverage in Denver (<https://avantifandb.com/>)
- The Urban Space Food Halls in New York (<https://www.urbanspacenyc.com/nyprojects-home>)

III. Scope of Services

The services required by vendors include, but are not limited to, the following:

- Consistently deliver high-quality, fresh, affordable food;
- Serve a high number of customers without delays;
- Participate in promotional activities related to FCFH;
- Liaise with Red Letter to ensure smooth operations of FCFH; and
- Provide feedback to Red Letter and EDDC on marketing, promoting, and programming of FCFH.

IV. Financial Details

The goal of the EDDC is to work with the best of Erie's diverse culinary talent in FCFH; and, in so doing, remove much of the financial risk typically associated with a vendor establishing a new location.

Given the flexibility associated with the EDDC's status as a non-profit corporation, and the dynamics of a food hall, the EDDC will not charge vendors for build out of the facility, standard equipment, monthly rent, common area maintenance ("CAM") charges, or for marketing expenses.

Rather, the EDDC will incorporate a new, fairer financing strategy utilized by the majority of the successful food halls across the country – whereby a portion of a vendor's gross sales will be allocated to the operating entity to cover all of the expenses associated with operations.

The EDDC's goal is to create a relationship with FCFH vendors – your success is our success.

We will take the majority of the financial risk away – if you succeed, we succeed - and downtown Erie prospers.

A. Payment Terms

The industry standard for vendors located in food halls across the country is approximately 30% of the gross sales to be remitted to the operating company. However, payment required for vendors of the Flagship City Food Hall will be between 18% and 23% of gross sales, depending on the total square footage of the vendor stall. Payment will be due every week. Vendors will be required to utilize one point-of-sale system, which will be audited by the EDDC, Red Letter, and their respective accountants.

B. Term

Initial lease periods will be for five (5) years.

V. Submission Requirements

A. Response to the RFP

Responses to this RFP, should include the following information:

- Project Team: Identify the proposed team, including general qualifications and experience.
- Relevant Experience: Describe your experience in relevant food and beverage operations. Please include adherence to all regulatory requirements.
- Type of Food & Beverage Offered: Describe the type of food and beverage that you plan to offer at your vendor stall.
- Ability to Meet Scope of Services: Describe your ability to meet the services discussed in Section III, Scope of Services.
- References: Please provide the contact information for three (3) references.
- Preliminary Budget: Based on your experience, provide an annual budget specific to your concept.

B. Video Submission

In addition to a written response to this RFP, interested parties must submit a 60 second or less video to info@flagshipcityfoodhall.com about why they think they would be a great fit for FCFH.

VI. Schedule

The following is the schedule for the RFP process:

- October 1, 2020; RFP made available to the public.
- November 1, 2020: Submissions in response to RFP due.
- November 2020 to January 2021: RFPs reviewed, and vendors selected for ongoing interviews.
- Q1: Final vendor is selected and announced.
- Q2 2021: Vendor stall build out and vendor orientation.
- Summer 2021: Opening of Flagship City Food Hall.

We plan for this process to be interactive, collaborative, and fun.

We will be in touch to learn about you, your business, and why working together would be a good fit for the future.

Most importantly, the EDDC views a relationship with a vendor as an investment and chance to partner with dynamic individuals in the revitalization of downtown Erie.

VII. Questions

For any questions related to this RFP, Flagship City Food Hall, and/or the EDDC, please contact the following: info@flagshipcityfoodhall.com