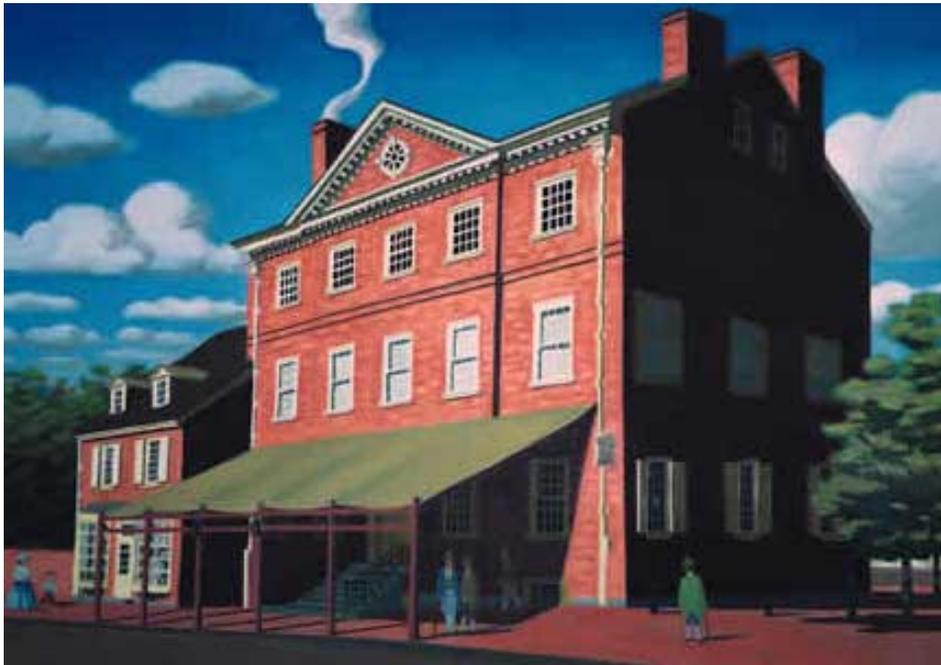




**Independence National Historical Park  
Philadelphia, PA  
Request for Proposals  
Restaurant Lease at City Tavern  
Issued July 7, 2011**

EXPERIENCE  
YOUR  
AMERICA



**City Tavern**

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## Request for Proposals – Table of Contents

THE NATIONAL PARK SERVICE AND INDEPENDENCE NATIONAL HISTORICAL...	3
The National Park Service and its Mission.....	3
The Park Area – Independence National Historical Park.....	3
Lease Objectives.....	3
THE LEASE PREMISES.....	4
Property Description.....	4
Building Description.....	4
Personal Property.....	4
Parking.....	5
Proposed Use and Minimum Lease Requirements.....	5
Rent.....	6
Competitive Process.....	7
Site Tour, Pre-Submittal Conference and Q&A Period.....	7
Proposal Submission.....	7
Authority.....	7
THE PROPOSAL PACKAGE.....	8
Proposal Content and Instructions.....	8
Selection Criteria.....	8
Selection Criteria Weighted Average.....	9
Proposal Submission Requirements.....	12
Additional Information and Modifications for Proposals.....	12
NPS Evaluation and Selection of the Best Proposal.....	12
Confidentiality of Proposals.....	13
ATTACHMENTS AND EXHIBITS.....	14

## REQUEST FOR PROPOSALS

This Request for Proposals (RFP) provides the opportunity for interested individuals and organizations to submit proposals to the National Park Service (NPS) to lease an NPS property, for restaurant use only, in Independence National Historical Park (INDE) under the following general terms and conditions.

### **I. The National Park Service and Independence National Historical Park.**

#### **A. The National Park Service and its Mission.**

America's National Park Service was created by Congress to "conserve the scenery and the natural and historic objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations." 16 U.S.C. § 1. Additionally, the Congress has declared that the NPS should be "preserved and managed for the benefit and inspiration of all the people of the United States." 16 U.S.C. § 1a-1. The NPS has as its overall mission the preservation and public enjoyment of significant aspects of the nation's natural and cultural heritage.

To learn more about the NPS, visit our website at [www.nps.gov](http://www.nps.gov). This site includes information about who we are, our mission, NPS policies and individual parks.

#### **B. The Park Area - Independence National Historical Park**

Independence National Historical Park, located in downtown (called "Center City"), Philadelphia, is often referred to as the birthplace of our nation. It was authorized by the US Congress in 1948. At the park, visitors can see the Liberty Bell, an international symbol of freedom, and Independence Hall, a World Heritage Site where both the Declaration of Independence and the U.S. Constitution were created. In addition, the park interprets events and the lives of the diverse population during the years when Philadelphia was the capital of the United States from 1790 to 1800. A section of the park where Benjamin Franklin's home once stood is dedicated to teaching about Franklin's life and accomplishments. Spanning approximately 45 acres, the park has about 20 buildings open to the public. The Park receives approximately 4 million visitors per year plus many other visitors to the many other attractions the city of Philadelphia has to offer.

The mission of Independence National Historical Park is to preserve, manage, operate, maintain, protect and interpret park resources associated with the American Revolution and the establishment of the United States of America in order to perpetuate these resources and to help all people understand the people, events and ideas associated with the park's tangible resources.

To learn more about Independence National Historical Park, visit our website at [www.nps.gov/INDE](http://www.nps.gov/INDE)

#### **C. Lease Objectives**

The National Park Service has a strategic goal to "Provide for the public enjoyment and visitor experience of parks." Independence National Historical Park has a mission statement that includes "preserve, manage, operate, maintain, protect and interpret park resources associated with the American Revolution and the establishment of the United States of America in order to perpetuate these resources and to help all people understand the people, events, and ideas associated with the

park's tangible resources.” Generally stated, this management objective includes, but is not limited to, the depiction, interpretation and creation of a restaurant that encompasses a Colonial theme and compliments the interpretive themes and history of Independence National Historical Park. It is the objective of the NPS to ensure an accessible, safe and functional facility.

## **II. The Lease Premise – CITY TAVERN**

The property is a replica of the original tavern that was razed in 1854 and rebuilt by the National Park Service in 1975 as a working tavern. The exterior of the building has been faithfully reconstructed, while the interior reflects its original appearance, but has been adapted for modern operational requirements, with central heat and air conditioning, and modern kitchen facilities.

Since its reconstruction, City Tavern has provided commercial food services in this facility for over 30 years. The existing operation provides a colonial themed restaurant and tavern atmosphere, with American Colonial style foods. It attracts a tourist based clientele in search of a historical Colonial themed dining experience that demonstrates and immerses the customer in the historical events and atmosphere of the surrounding area. See **Appendix B** for the current operator’s menu and **Appendix C** for a schedule of gross receipts.

### **A. Property Description**

The property is located at 138 South 2<sup>nd</sup> Street in Philadelphia, Philadelphia County, Pennsylvania. It is a four level structure consisting of 12,800± square foot (plus additional 5<sup>th</sup> level attic consisting of 2,300± square feet) commercial restaurant space on a small park-like setting parcel of land. It faces directly onto the sidewalk along 2<sup>nd</sup> Street and borders Walnut Street and is part of INDE Tract 01-176. See **Appendix A** for land assignment, legal description, site map of the property, and basic floor plan for lease.

### **B. Building Description**

The 15,100± square foot facility contains both the food preparation area and a dining area that can accommodate approximately 250 customers in several different sized rooms. The building has six dining rooms, with two on the first floor, two on the second floor and two in the basement. The top floor currently accommodates a large office space for restaurant operations. Two of the dining rooms have working fireplaces. The facility also contains a 1000± square-foot outdoor back patio that may be used for dining tables. The bar is located on the first floor and seats approximately 26 persons on chairs, benches and in booths, and has a working fireplace. The building has been extensively modified over the years and is not a historic structure; however the building is located within a historic district and is subject to applicable laws related to cultural and historical resource protection.

### **C. Personal property**

Existing Furniture, Fixtures, Equipment and Inventory are personal property of the current operator and are not part of the government property for lease, including, without limitation, kitchen equipment, tables, dining counter, and refrigeration units. However, the new lessee must purchase all personal property used or held for use in connection with operations at City Tavern from the existing operator at its “fair value.” The fair value of merchandise and supplies is replacement cost including transportation.

The fair value of equipment is replacement cost, less depreciation and obsolescence. Fair Value will be determined by mutual agreement between the current operator and Lessee.

#### **D. Parking**

While there is no on-site parking, there is street parking in close vicinity of the building, as well as a public parking garage across the street on 2<sup>nd</sup> Street. There is designated bus unloading space directly in front of the building. There are many tour groups that include City Tavern within their tour and the bus unloading directly in front of the building provides for easy accommodation of these tour buses.

#### **E. Proposed Use and Minimum Lease Requirements:**

- a. **Use:** The new lessee will be required to operate a restaurant.
- b. **Improvements:** The new lease requires full compliance with ADA as determined by the License and Inspections department of the City of Philadelphia. The ADA improvements are required to be completed within 2 years of the effective day of the lease. The National Park Service has estimated the cost to complete these required improvements to be approximately \$750,000 to \$1,000,000, however this range is strictly an estimate and actual costs incurred may vary significantly and are the sole responsibility of the lessee. Plans for the elevator and elevator shaft can be found in **Appendix E**. Attached elevator plans may not be altered. Alterations to existing bathrooms and other interior and exterior improvements to meet Americans with Disabilities Act (ADA) requirements will also be a stipulation of the new lease and plans must be approved by the NPS, as well as the License and Inspections department of the City of Philadelphia.
- c. **Term of Lease:** The lease will have a term of 10 years, with a target commencement date on or about January 1, 2012.
- d. **Conditions:** National Park Service may choose to enter into a Letter of Intent with the selected offeror prior to entering into a lease. Selection of a proposal does not guarantee a lease for the offeror. The proposal judged best under the proposal selection criteria will be given an opportunity to negotiate a final lease agreeable to both the offeror and NPS.
- e. **Lease Provisions:** The lease to be awarded under this RFP will contain the provisions required by 36 C.F.R. Part 18 as well as other provisions determined by NPS to be necessary to assure use of the leased property in a manner consistent with the purposes of the park area, and where applicable, to assure the preservation of historic property. Required provisions include, without limitation:
  - i. A termination for cause or default provision;
  - ii. Appropriate provisions requiring the lessee to maintain the leased property in good condition throughout the term of the lease;
  - iii. Appropriate provisions stating that subletting of a portion of the leased property and assignment of a lease, if permissible under the terms of the lease, must be subject to the written approval of NPS;

- iv. Appropriate provisions requiring the lessee to pay for use of all utilities used by the lessee and to pay all taxes and assessments imposed by federal, state, or local agencies applicable to the leased property or to lessee activities;
  - v. Appropriate provisions stating that the lessee has no rights of renewal of the lease or to the award of a new lease upon lease termination or expiration;
  - vi. Appropriate provisions stating that the lessee may not construct new buildings or structures on leased property except in limited circumstances;
  - vii. Appropriate provisions requiring that any improvements to or demolition of leased property to be made by the lessee may be undertaken only with written approval from the NPS; and
  - viii. Appropriate provisions that describe and limit the type of activities that may be conducted by the lessee on the leased property.
  - ix. See **Appendix D** for a sample lease that incorporates these terms.
- f. **Rent: The property shall be rented for a minimum of the Fair Market Value Rent as determined by 36 CFR Part 18. Based on the requirements of 36 CFR § 18.5a, the Minimum Annual Fair Market Value Rent has been determined to be \$241,600 for years 1 through 5 and \$265,760 for years 6 through 10, payable in equal monthly installments. 36 CFR § 18.5b allows for an offset to the rent based on required improvements. All required and approved improvements shall be offered as a rental offset, based on actual costs, as well as a return of 5%. If all required and approved improvements total \$850,000, the total offset applied shall be \$1,081,870, based on an annual return of 5%. Fair Market Value Rent after rental offset with an example of \$850,000 of improvements shall be \$133,413 annually for years 1 through 5 and \$157,573 for years 6 through 10. Example is further outlined below. Actual approved improvement costs shall be used for rental offset and \$850,000 is used as an example only.**

<b>Fair Market Value Rent Example (Estimated \$850,000 in Improvements)</b>			
<b>Year</b>	<b>Minimum Annual Base Rent</b>	<b>Rental Offset</b>	<b>Fair Market Value Rent (after rental offset)</b>
1	\$241,600.00	\$108,187.00	\$133,413.00
2	\$241,600.00	\$108,187.00	\$133,413.00
3	\$241,600.00	\$108,187.00	\$133,413.00
4	\$241,600.00	\$108,187.00	\$133,413.00
5	\$241,600.00	\$108,187.00	\$133,413.00
6	\$265,760.00	\$108,187.00	\$157,573.00
7	\$265,760.00	\$108,187.00	\$157,573.00
8	\$265,760.00	\$108,187.00	\$157,573.00
9	\$265,760.00	\$108,187.00	\$157,573.00
10	\$265,760.00	\$108,187.00	\$157,573.00
<b>Total</b>	<b>\$2,536,800.00</b>	<b>\$1,081,870.00</b>	<b>\$1,454,930.00</b>

The Lessee will be required to post a surety bond to ensure payment of a minimum of one year's rental and/or required to cover the Lessee's entire cost of the required improvements.

- g. Other Terms and Conditions:** The proposed terms and conditions of the offered lease are as described in this RFP and 36 CFR Part 18. Final terms and conditions will be negotiated between NPS and the selected offeror.

#### **F. Competitive Process**

This lease opportunity is open to all interested persons on a competitive basis. Whoever submits the proposal judged best under the proposal selection criteria will be given an opportunity to negotiate a final lease agreeable to both the Offeror and NPS.

#### **G. Site Tour, Pre-Submittal Conference and Q&A period**

A pre-submittal conference and site tour of the offered property will be held on August 9, 2011. Please contact Jeffrey Bryant by e-mail at [jeffrey\\_bryant@nps.gov](mailto:jeffrey_bryant@nps.gov) to make a reservation.

If you do not understand something in this request for proposals, you must submit your questions in writing via email to [jeffrey\\_bryant@nps.gov](mailto:jeffrey_bryant@nps.gov) no later than August 26, 2011. The questions must be in an electronic format that allows the NPS to copy the questions to Microsoft Word. Your questions must specify the section of the request for proposals that is the subject of your inquiry. The NPS will respond to your questions in writing and will provide the questions and responses to all those who have either 1) asked questions, or 2) made a reservation for the site visit. Questions submitted after the deadline above may not be answered.

#### **H. Proposal Submission**

Proposals under this RFP must be received by 4:30 pm on September 16, 2011 in the form and at the address stated in Section E.

#### **I. Authority**

This RFP is issued under the authority of 36 CFR Part 18. This RFP and the offered lease are subject to and incorporate all terms and conditions of 36 CFR Part 18 as applicable. In the event of any conflict between the terms of this RFP and 36 CFR Part 18 or the lease, 36 CFR Part 18 and the lease shall prevail.

For Further Information Please Contact:

Jeffrey Bryant  
National Park Service  
200 Chestnut Street, 3<sup>rd</sup> Floor  
Philadelphia, PA 19106  
215-597-4919 Direct  
Email: [jeffrey\\_bryant@nps.gov](mailto:jeffrey_bryant@nps.gov)

### III. The Proposal Package

#### 1. Proposal Content & Instructions.

- a. Proposals submitted in response to this RFP should follow the format described below. You are asked to answer questions or supply specific information in response to specified items.
- b. Please label your responses correspondingly and respond fully and accurately to all questions/requests.
- c. Proposal responses will be determined to be Excellent, Good, Fair and Poor, based on the criteria outlined below.
- d. Each of the proposal selection factors will be given a different weight as outlined below.
- e. Please provide the identification and credit information described in Attachment A to this RFP, if the Offeror is not a business. If the Offeror is a business, please provide the identification and credit information described in Attachment B to this RFP under the applicable category (sole proprietorship, partnership, or corporation).
- f. Please submit with the proposal an executed letter to NPS which states that the offeror, in submitting its proposal, accepts and agrees to be bound by the terms and conditions of this RFP, including, without limitation, capital improvements including elevator, accessible restroom installation, other improvements necessary to comply with the ADA and any improvements necessary for a City of Philadelphia Use and Occupancy Permit. A sample transmittal letter is provided in **Attachment D**.

#### 2. Selection Criteria: The NPS will select the best responsive proposal received under this RFP under the following selection criteria:

- a. **Proposed Use:** The compatibility of the proposal's intended use of the offered property with respect to preservation, protection, and visitor enjoyment of the park area
- b. **Financial Capability:** The Offeror's ability to carry out the terms of the lease;
- c. **Professional Experience:** The Offeror's ability to demonstrate the managerial capability to carry out the terms of the lease;
- d. **Environmental Enhancement:** The ability and commitment of the Offeror to conduct its activities in the park area in an environmentally enhancing manner through, among other programs and actions, energy, conservation, waste reduction, and recycling:
- e. **Capital Improvement Plan:** The effectiveness of the plan to address the required real property improvements for an accessible elevator, accessible restrooms and other ADA improvements.

**3. Selection Criteria Weighted Average:** The NPS will evaluate each selection criteria**a. Proposed Use (30%)**

Please describe your proposed restaurant use for the property including the restaurant name and explain why it is compatible with the preservation, protection and visitor enjoyment of the park area.

Response should be limited to 20 pages.

Excellent – A proposed 18<sup>th</sup> century themed tavern or a theme directly related to Independence National Historical Park. As well as a well thought out restaurant business plan that describes how lessee will meet all of the proposed goals and why the response will best meet the needs of visitors to include: a) Operational concept: vision for operation, type of food and beverage offered, b) Target customers, c) Marketing channels, d) Organizational structure, number of employees and pay ranges, e) Proposed menu, including price points, f) Hours of operation, g) Desired Grand Opening target date,. h) Name of Proposed Restaurant.

Good – – A proposed 18<sup>th</sup> century themed tavern or a theme directly related to Independence National Historical Park with most items found in the Excellent response addressed for the restaurant business plan.

Fair Response will include a complete, well thought out restaurant business plan as defined in an Excellent response that would not be for a 18<sup>th</sup> century or a theme directly related to Independence National Historical Park.

Poor – Response includes element of a restaurant business plan and proposed use will not be related to the 18<sup>th</sup> century or a theme directly related to Independence National Historical Park.

**b. Financial Capability 25%**

Please submit documentation of the source and availability of the funds necessary to carry out your obligations under the terms of the proposed lease, including, without limitation, any improvement requirements, through bank statements, bank financing commitment letters, or similar documents that convincingly substantiate your financial capability.

Demonstrate that you have a credible, proven track record of meeting your financial obligations, that your proposal is financially viable and that you understand the financial obligations of the lease.

Submit documentation of the cost estimates for all building improvements, operating expenses and all other startup costs.

Submit the source and availability of the funds necessary to carry out your obligations under the terms of the proposed lease, which includes, at a minimum, the Financial Capability

Information and comprehensive supporting documentation outlined in **Attachments A, B and C**. Include in this documentation the accessibility improvements as well as estimates for any other optional internal or external improvements.

Excellent – Response includes completion of Attachments A, B and C. Documentation credibly and convincingly demonstrates the ability of the offeror to adequately fund, the required improvements and the ability to financially handle unforeseen circumstances (within reason). Detailed cost estimates for all improvements,

Good – Response includes completion of Attachments A, B and C. Documentation demonstrates the ability of the offeror to adequately fund the proposed operation, the required improvements and the ability to financially handle unforeseen circumstances (within reason). Detailed cost estimates for all improvements, operating expenses and startup costs are included, as well as documentation of the salvage value of equipment purchases.

Fair – Response includes completion of Attachments A, B and C. Detailed cost estimates for all improvements, operating expenses and startup costs are included, as well as documentation of the salvage value of equipment purchases.

Poor – Response does not include compelling documentation to prove financial capability.

**c. Professional Experience 25%**

Explain how your experience and background qualifies you as managerially capable of satisfactorily performing the terms and conditions of the offered lease.

Response should be limited to 10 pages.

Excellent – Response includes management experience of at least 10 years as an owner or general manager of a themed restaurant with at least \$2 million in annual gross receipts, with at least 30 full or part time employees and has received multiple designations or awards. Compelling evidence is presented showing exemplary performance of highly relevant experience.

Good – Response includes substantial evidence of relevant experience and high performance.

Fair – Response includes adequate evidence of relevant experience.

Poor – Response includes inadequate evidence of relevant experience.

**d. Environmental Enhancement 5%**

Please explain your proposal for managing and using the property in an environmentally enhancing manner through, among other programs and actions you may propose, energy conservation, waste

reduction, and recycling. An energy management plan identifies methods and procedures used that will reduce the amount of energy used by the organization. Energy improvements include physical improvements to the leased building.

Response should be limited to 5 pages.

Excellent – Response will include a comprehensive environmental enhancement plan that includes an energy management plan, a recycling program, a waste reduction plan, energy improvements to the building and a plan to utilize locally grown food that reduces transportation pollution.

Good – Response will include a comprehensive environmental enhancement plan that includes 4 of the 5 following items: an energy management plan, a recycling program, a waste reduction plan, energy improvements to the building and a plan to utilize locally grown food that reduces transportation pollution.

Fair - Response will include a comprehensive environmental enhancement plan that includes 3 of the 5 following items: an energy management plan, a recycling program, a waste reduction plan, energy improvements to the building and a plan to utilize locally grown food that reduces transportation pollution.

Poor - Response will include a comprehensive environmental enhancement plan that includes 1 of the 5 following items: an energy management plan, a recycling program, a waste reduction plan, energy improvements to the building and a plan to utilize locally grown food that reduces transportation pollution.

**4. Proposal Submission Requirements.**

Please submit four (4) copies of your proposal accompanied by the transmittal letter signed by a principal of the proposed lessee. The copies should be on 8-1/2" x 11" paper, with double-sided copying, unstapled, and in a 3-ring binder. Also include one (1) electronic version of your proposal via CD identical to the hard copies.

The proposal must be enclosed in sealed envelope(s), and received at the following NPS office by 4:30pm on the date specified in Section A above. The face of the sealed envelope shall show the Offeror's name and address and the receiver's address as shown here:

Jeffrey Bryant  
National Park Service  
200 Chestnut Street, 3<sup>rd</sup> Floor  
Philadelphia, PA 19106

Telephonic proposals, faxes, e-mail, and other means of transmittal will not be considered. Proposals will not be returned.

**5. Additional Information and Modifications of Proposals**

NPS may request from any Offeror, after the submission date, additional information or written clarification of a proposal. However, proposals may not be amended after the submission date unless permitted by NPS. NPS may not permit amendment of a proposal unless all Offeror that submitted responsive proposals are given an opportunity to amend their respective proposals.

**6. NPS Evaluation and Selection of the Best Proposal**

NPS will review all responses to this RFP through an evaluation panel assisted by technical consultants as appropriate.

All proposals will first be screened for adherence to the requirements of this RFP. NPS will not consider non-responsive proposals. A non-responsive proposal is a proposal that was not timely submitted or fails to meet the material terms and conditions of this RFP as determined by NPS.

It is the intention of the NPS to select the best-submitted proposal as determined under the selection criteria without further submittals or presentations. If this cannot be done, NPS will select those lease proposals that appear most suitable under the selection criteria, and from that group will request additional information or presentations so that the best proposal can be selected.

NPS will award the lease to the Offeror determined to have submitted the best proposal under the selection criteria. If that Offeror does not agree to the final terms of the lease as proposed by NPS within 30 days of selection, the selection may be terminated and NPS may negotiate with other Offerors for award of the offered lease or terminate this solicitation without liability to any person.

**7. Confidentiality of Proposals.**

If you believe that a proposal contains trade secrets or confidential commercial and financial information that you do not want to be made public, please include the following sentence on the cover page of each copy of the proposal:

“This proposal contains trade secrets and/or confidential commercial or financial information that the Offeror believes to be exempt from disclosure under the Freedom of Information Act. The Offeror requests that this information not be disclosed to the public, except as may be required by law.”

In addition, you must specifically identify what you consider to be trade secret information or confidential commercial and financial information on the page of the proposal on which it appears, and you must include the following sentence on each such page:

“This page contains trade secrets, or confidential commercial or financial information that the Offeror believes to be exempt from disclosure under the Freedom of Information Act, and which is subject to the non-disclosure statement on the cover page of this proposal.”

Information so identified will not be made public by NPS except in accordance with the requirements of the Freedom of Information Act.

**ATTACHMENTS**

**Attachment A: Identification and Credit Information (Business/LLC)**

**Attachment B: Identification and Credit Information (Individual/Partnership)**

**Attachment C: Financial Capability Information**

**Attachment D: Sample Offeror Transmittal Letter**

**EXHIBITS**

**Appendix A: Map, Land Assignment and Floorplan of Property for Lease**

**Appendix B: Current Menu for City Tavern Restaurant**

**Appendix C: Schedule of Gross Receipts for City Tavern Restaurant**

**Appendix D: Sample Lease**

**Appendix E: Elevator and Restroom plans**