



REQUEST FOR PROPOSALS TO LEASE AND OCCUPY FOR AVIATION USE HANGAR 5/6 AT CHICAGO EXECUTIVE AIRPORT

February 18, 2020

Proposals due 4:00 P.M. Central Time March 16, 2020

Contact person: George Sakas, (847) 537-2580 extension 113

A. Introduction

An unprecedented opportunity, the aviation facility known as "Hangar 5/6" (1115 South Wolf Road, Prospect Heights, IL 60070) is offered by Chicago Executive Airport for lease proposals. The airport is jointly owned by the City of Prospect Heights and the Village of Wheeling. The airport's board of directors is committed to transparency and efficiency as a public trust. Concurrently, the airport continues to be self-supporting financially and an economic development engine for the region.

Built in the 1960's, Hangar 5/6 was owned, as was the entire airport, by the Priester family until the City of Prospect Heights and Village of Wheeling purchased the airport in 1986. At that point Priester retained a long-term lease on H5/6 and assigned it to Signature Flight Services. SFS had consecutive 5-year sole-discretion options that extended to 2044. SFS has elected to not exercise the option beginning January 1, 2020 expiring December 31, 2024.

During this lease, SFS has had full command of the property - leasing space, fueling aircraft, and providing towing services as sole provider. By mutual agreement, the lease was extended to April 30, 2020 to accommodate a transition of ownership.

Rather than a sealed bid process with detailed requirements, the airport seeks proposals allowing flexibility for respondents to offer creative proposals benefitting both parties to the maximum extent possible.

B. Property Description

Hangars 5 and 6 are two co-joined although structurally independent hangars on the Southwest Quadrant of Chicago Executive Airport. Utilities are intermingled throughout the building with one meter for both gas and electric. Water is provided via a single well. Hangar 5 is approximately 47,670 ft.² and Hangar 6 is approximately 23,880 ft.² as follows:

Functional Areas:

Hangar 5 North Offices, approximately 2,200 ft.² @ on two floors

Hangar 5 North Bay

Hangar 5 Center Bay

Hangar 5 South Bay

Hangar 5 West offices

Hangar 6

Respondents are free to propose leasing all or part of either hangar and/or section of ramp.

C. Property Use

The property is limited to aviation-related uses by FAA regulations, state statutes and local zoning. The hangar spaces are limited to the storage and operation of aircraft. This will be a provision of any lease agreement. Furthermore, respondents should identify their specific use of the property – maintenance, airplane storage, sub-leasing for airplane storage, etc.

D. Lease Duration

CEA is open to lease proposals of any duration, preferring five years from 2020 through 2024. Our recently completed master plan shows H 5/6 being demolished for new development. This prompts a preference for a lease of no more than 10 years.

E. Lease Components

1. Building maintenance and repairs
2. Payment of building expenses including, but not limited to property taxes, utilities, cleaning, landscaping, snow removal.
3. Tenancy with the authority to sub-lease.
4. Rights to provide services and on-site fueling to tenant aircraft

F. Property Taxes

It is CEA's policy codified in all leases that property taxes are the responsibility of the lessee. In limited short-term tenancies, Cook County exempts certain property taxes but proposers should not depend on this exemption. Proposers should assume they will incur a property tax burden whether through direct billing by Cook County or a reimbursement arrangement with CEA. Both hangars are taxed as one property PIN 03-13-301-027. Separating them into two PINs is an acceptable option.

G. Current Tenants

Due to the configuration of the building, some tenants have an office and rented floor space/per-plane tenancy in an open hangar space. The nature of H5/6 is a "community hangar" so the type of aircraft and duration of tenancy has varied. There are currently several single-plane tenancies and three multiple-aircraft tenants including Fly There (office in Hangar 5, rental of Hangar 6 in total), Leading Edge flight club, and The Hangar Club. Chicago Executive Airport has no contractual relationship with any current tenants. It is assumed that tenants' leases will terminate with Signature's lease termination on April 30, 2020. It is unknown how many will remain and how many will leave due to this change in ownership.

H. Current Property Balance Sheet

Attached as an exhibit are estimated expenses for Hangar 5/6. As the airport has never had full ownership of the hangar, so they are unverified. Also attached are the current tenants with estimated rents, also unverified.

I. Possible Lease Scenarios in Order of CEA Preference:

- Option 1: The lessee takes full control of the building via NNN lease with all three lease components.
- Option 2: The lessee is not responsible for building maintenance or repairs but has full authority to use and/or sub-lease all or part of the facility. Included are building cleaning, payment of utilities, and snow removal.
- Option 3: The lessee is not responsible for building maintenance/repairs, does not have authority to use, sub-lease or license space to third parties, but would only have exclusive rights to fuel and manage aircraft in Hangar 5/6 and on the pad.

J. Response Format

- 1. Contact information: Individual respondent's name and name of entity leasing the premises with appropriate contact information.
- 2. Description of proposed tenancy and use of premises including geographic areas to lease if not the entire facility.
- 3. Proposed term of lease including options.
- 4. Conditions of tenancy addressing all "Lease Components" above.
- 5. Rent \$ amount – annual and monthly.
- 6. Any other information the respondent deems necessary and helpful to Chicago Executive Airport's consideration of the proposal.
- 7. Submission: Please submit four (4) hard copies and electronic .pdf(s) to Chicago Executive Airport no later than 4:00 P.M., Central Time, on Monday, March 16, 2020 addressed to:

Jamie Abbott, Executive Director
Chicago Executive Airport
1020 South Plant Road
Wheeling, Illinois 60090

Proposals may be delivered by mail or in person. Faxed proposals will not be accepted. Proposals received after the time specified above will be returned unopened. The Airport is not responsible for late, misdirected, or damaged submissions and reserves the right to accept or reject any or all proposals for any reason.

K. Selection Procedure & Criteria

Upon receipt of proposals, the selection panel will evaluate them and select the preferred proposal. Prospective respondents are advised that no obligations or duties are incurred by the Chicago Executive Airport in this solicitation. The Airport retains the right to lease the premises in any configuration or terminate consideration at any time prior to approval of a lease.

Chicago Executive Airport will evaluate RFPs based on the following factors:

- 1. Adherence to regulations of the Federal Aviation Administration, The State of Illinois, The City of Prospect Heights, and the Village of Wheeling.
- 2. Adherence to the rules, policies and goals of the airport.
- 3. Financial desirability
- 4. Feasibility of the entity to successfully enter and execute the lease to termination
- 5. Criteria contained within this solicitation and others as needed

During the evaluation process, the Airport may request additional information or clarifications from the proposers and/or personal interviews. Qualified respondents may be requested to submit amended proposals facilitate lease negotiations.

L. Tentative Selection Schedule

- February 18 RFP published
- March 4 Hangar 5/6 optional tour @ 10 am – Contact George Sakas
- March 16 Proposals due to Chicago Executive Airport
- March 18 Airport Board meeting
- April 1 CEA internal deadline to select preferred proposal
- April 1 to April 10 finalize lease
- April 15 Airport Board Meeting approve lease

M. Inquiries & Rejection of Proposals

Reservations for the optional respondents' tour and questions regarding this RFP should be directed to George Sakas, Director of Economic Development at (847) 537-2580 or via e-mail at: gsakas@chiexec.com.

The Chicago Executive Airport expects to select a proposal deemed most advantageous to the Airport and negotiate a lease with that respondent. The Airport reserves the right to reject any or all responses to the RFP, to advertise for new responses, or to accept any response deemed to be in the best interest of the Airport. A response to this RFP should not be construed as a contract or an indication of a commitment of any kind on the part of the Airport, nor does it commit either to pay for costs incurred in the submission of a response to this request or for any cost incurred prior to the execution of a final contract.

N. Exhibits:

1. Hangar 5/6 Floor Plan
2. Hangar Door Dimensions
3. Estimated Current Lease Revenues
4. Estimated Current Expenses
5. Aerial Photograph
6. Original Leasehold Plat
7. North Offices Schematic
8. Equal Opportunity Program Requirements

Exhibit 1: Hangar 5/6 Floor Plan
 *Available in to-scale .pdf upon request.

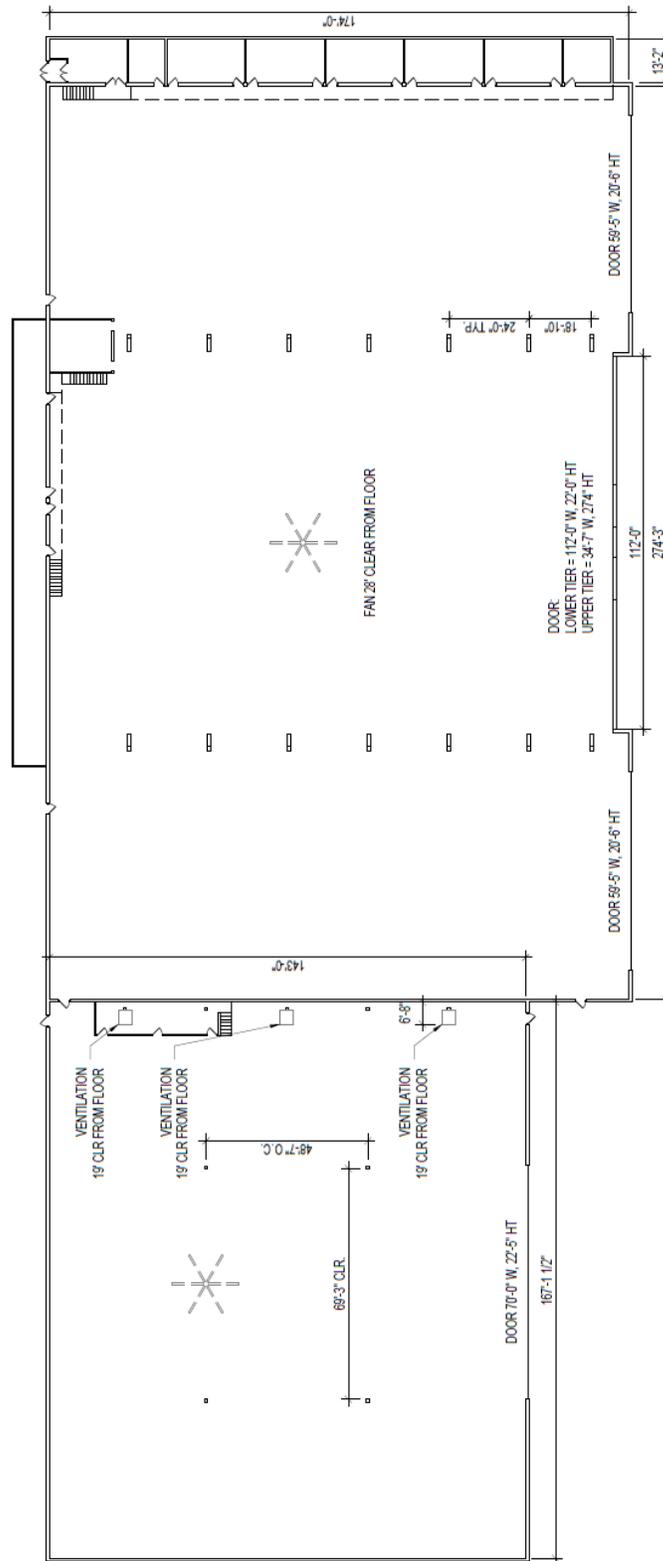


Exhibit 2: Hangar Door Dimensions

Hangar 5 North and South Bays:

Door height of 20 ft. 6 in.

Door width of 59 ft. 5 in.

Hangar 5 Center Bay Tiered:

First tier = 22 ft. high by width of 112 ft

Second tier = 26 ft. high by 9 ft. wide

Third tier = 29 ft. high by XX ft. wide

Hangar 6:

Door height of 22 ft. 5 in. and a width of 70 ft.

Exhibit 3: Estimated Current Lease Revenues

Hangar 5/6 Revenues ESTIMATED	Monthly
Fly There H6 Total floor space	\$ 13,800
Fly There Office	\$ 350
Leading Edge Flying Club ofc.	\$ 600
Leading Edge H5 @ 9 planes	\$ 7,000
The Hangar Club H5 @ 5 planes	\$ 3,500
Helicopters Inc. H5 @2 Helicopters	\$ 3,400
1979 Beech King Air C90	\$ 2,250
1975 Beech E55	\$ 1,000
Cabin Enterprises	\$ 2,800
1998 Cessna 750 Citation X	\$ 3,200
1980 Cessna 182R	\$ 1,000
Sundowner	\$ 1,000
1984 Piper PA46	\$ 1,000
1975 Cessna 421B	\$ 1,500
2007 Cessna 182T	\$ 1,000
Total	\$ 43,400

Exhibit 4: Estimated Current Expenses

Hangar 5/6 Expenses ESTIMATED	Month
Property Taxes	\$ 13,500
Utilities	\$ 3,000
Building Maintenance	\$ 2,000
Equipment	\$ 3,000
Landscaping/Plowing	\$ 1,000
Total	\$ 22,500

Exhibit 5: Aerial Photograph

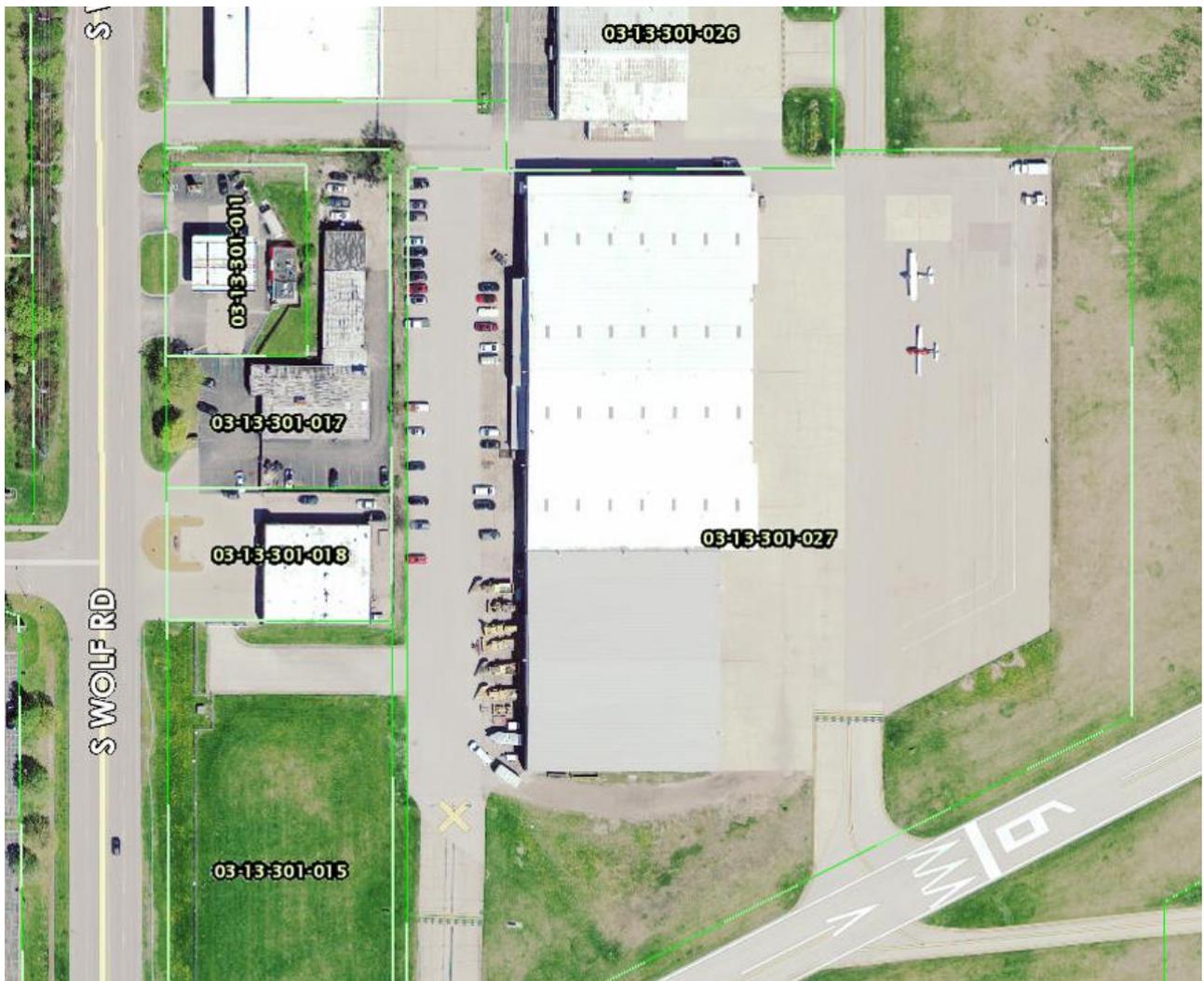
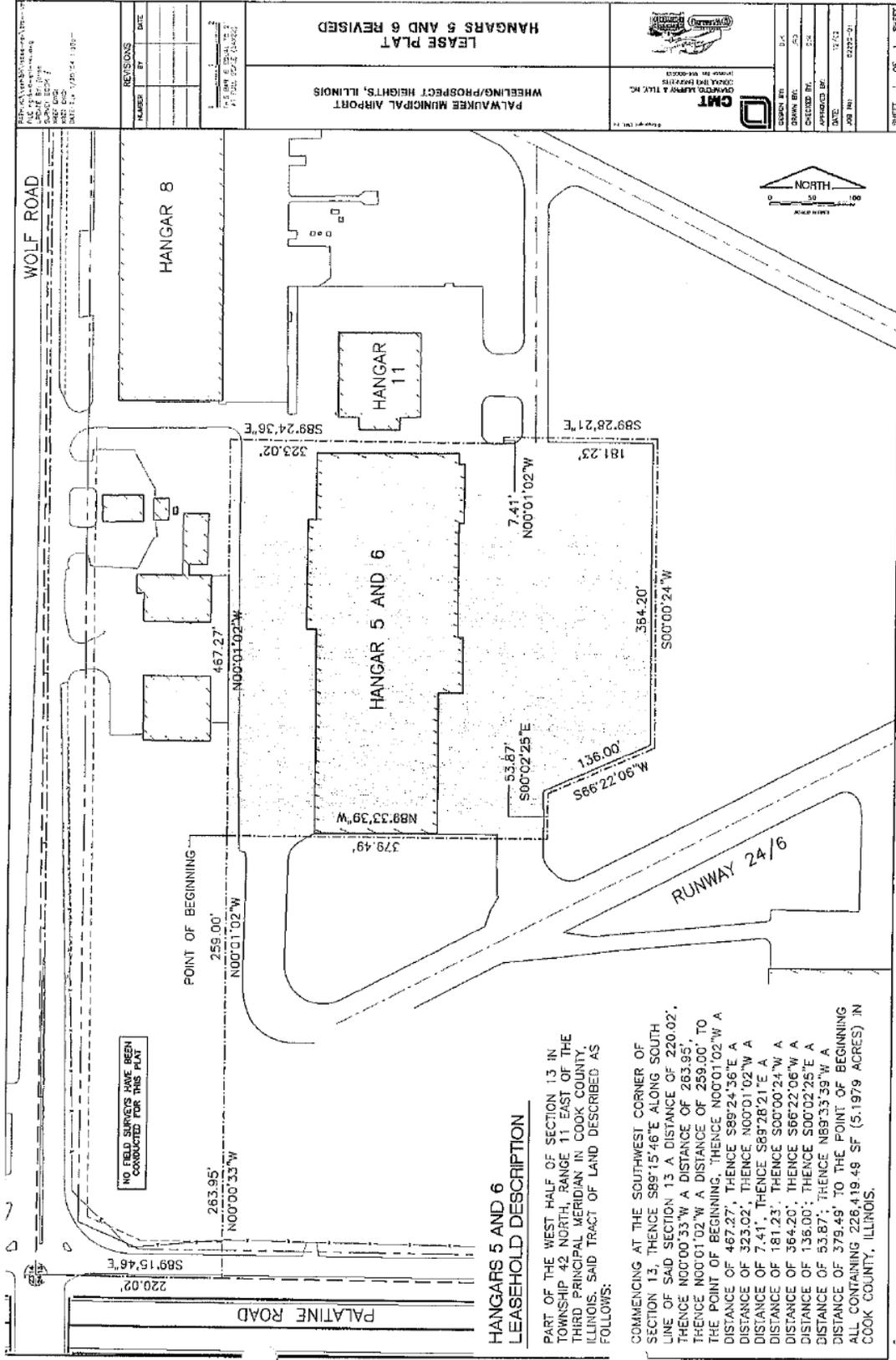


Exhibit 6: Original Leasehold Plat



NO FIELD SURVEYS HAVE BEEN CONDUCTED FOR THIS PLAT

**HANGARS 5 AND 6
LEASEHOLD DESCRIPTION**

PART OF THE WEST HALF OF SECTION 13 IN TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, SAID TRACT OF LAND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 13, THENCE $S89^\circ15'46''$ E ALONG SOUTH LINE OF SAID SECTION 13 A DISTANCE OF $220.02'$, THENCE $N00^\circ00'33''$ W A DISTANCE OF $263.95'$, THENCE $N00^\circ01'02''$ W A DISTANCE OF $259.00'$ TO THE POINT OF BEGINNING, THENCE $N00^\circ01'02''$ W A DISTANCE OF $467.27'$, THENCE $S89^\circ24'36''$ E A DISTANCE OF $323.02'$, THENCE $N00^\circ01'02''$ W A DISTANCE OF $7.41'$, THENCE $S89^\circ28'21''$ E A DISTANCE OF $181.23'$, THENCE $S00^\circ00'24''$ W A DISTANCE OF $384.20'$, THENCE $S66^\circ22'06''$ W A DISTANCE OF $136.00'$, THENCE $S00^\circ02'25''$ E A DISTANCE OF $53.87'$, THENCE $N89^\circ33'39''$ W A DISTANCE OF $379.49'$ TO THE POINT OF BEGINNING ALL CONTAINING $226,419.48$ SF (5.1979 ACRES) IN COOK COUNTY, ILLINOIS.

PALWAUKE MUNICIPAL AIRPORT
WHEELING/PROSPECT HEIGHTS, ILLINOIS
LEASE PLAT
HANGARS 5 AND 6 REVISED



DESIGNER: JLS	DATE: 12/22/21
DRAWN BY: JLS	JOB NO: 2222-21
CHECKED BY: JLS	
APPROVED BY: JLS	
CHECKED BY: JLS	
DATE: 12/22/21	

REVISIONS	NUMBER	BY	DATE

SHEET 1 OF 1 SHEET

Exhibit 7: North Offices Schematic

1st Flr	2nd Flr
Entry	Fly There
Entry	Fly There
Helicopters Inc.	Fly There
Helicopters Inc.	Fly There
For Rent	Fly There
For Rent	Fly There
Lockers	Furnace
Lockers	PAPA
CEFS	PAPA
CEFS	Nth Jet Mgmt
Lounge	Leading Edge
Lounge	Leading Edge
Signature	Leading Edge
Signature	Leading Edge

Exhibit 8: Equal Opportunity Program Requirements

Equal Opportunity Contracting Policy Statement - It is the policy of Chicago Executive Airport that all businesses, including those that meet the definition of socially and economically disadvantaged (DBEs), be provided equal access to participate in the performance of all contracts and leasing opportunities. The Airport has further committed to take all necessary and reasonable steps to increase its utilization of socially and economically disadvantaged business enterprises, to the extent feasible and legally permissible.

Disadvantaged Business Enterprise Defined -To qualify for certification as a DBE, a for-profit business entity, whether a sole proprietorship, Partnership, joint venture, or corporation, must meet at a minimum the following definition, as set forth in 49 Code of Federal Regulations ("CFR") Part 23.

A business that is at least 51 percent owned by one or more socially and economically disadvantaged individuals (or, in the case of any publicly-owned business at least 51 percent of the stock is owned by one or more socially and economically disadvantaged individuals) and whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

The following groups, who are citizens of the United States (or lawfully permanent residents), are refutably socially and economically disadvantaged:

- (1) Women;
- (2) Black Americans;
- (3) Hispanic Americans;
- (4) Native Americans;
- (5) Asian-Pacific Americans; and
- (6) Asian-Indian Americans.

DBE Participation Goal - A DBE participation goal for this solicitation of 10% as measured by the total estimated dollar value of this agreement has been established. Respondent shall take all necessary and reasonable steps in making good faith efforts to achieve this DBE participation goal DBE participation may be in the form of one or more sub-participants, partnerships, or other legal arrangements meeting the eligibility standards in 49 CER Part 23.

Required DBE Information -Respondents must provide information pertaining to its proposed DBE participation for this solicitation. Information to be provided will include the name and address of each DBE and a description of the services to be provided.

Respondent's Good Faith Efforts -Good faith efforts are those that could reasonably be expected to result in goal attainment by a respondent.

Respondent's Obligation -Respondent will assure that no person is excluded from participation in. denied the benefits of; or otherwise discriminated against in connection with the award and performance of any contract, including leases, covered by 49 CFR 23 on the grounds of race, color, national origin or sex.

