REQUEST FOR PROPOSAL FOR THE OPERATION AND MAINTENANCE OF THE
FIRST AND BROADWAY FOOD AND BEVERAGE CONCESSION (CON-F176-006)

QUESTIONS & ANSWERS NO. 2
(REVISED)

1. Question: How many seats are anticipated for each space (Test Kitchen, Café, Beer & Wine Garden, Restaurant/Rooftop?). Does the city code allow 10 square feet per person or 15 square feet per person?

Answer: Please see chart below and note that these counts are flexible, but gives a rough order of magnitude. The test kitchen does not have a seating area as it is designed to serve food via take-out window. The table seating allowance per person is 15 square feet.

<table>
<thead>
<tr>
<th>Space</th>
<th>Approximate Seating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cafe</td>
<td>44</td>
</tr>
<tr>
<td>Beer Garden</td>
<td>52</td>
</tr>
<tr>
<td>Restaurant</td>
<td>134</td>
</tr>
<tr>
<td>Rooftop Lounge</td>
<td>50</td>
</tr>
</tbody>
</table>

2. What is the parking plan for both the patrons & employees? Is valet required?

Answer: There are no on-site parking options. Parking options such as valet service may be proposed.

3. Question: Is the concessionaire fully responsible for obtaining a liquor license? What happens if there is a delay in acquiring a liquor license?

Answer: Yes, as set forth in the RFP Exhibit “C” Section 14, the concessionaire is responsible for securing and maintaining the liquor license. The Concession Fee becomes effective upon commencement of operations. Therefore, the concessionaire will not be required to pay the concession fee for alcohol sales until there are actual sales of alcohol.

4. Question: For the design of the interior space, what happens if there is a disagreement between the concessionaire and RAP? Is the design of the interior space ultimately at the discretion of RAP?
Answer: The RFP Page 4, Section VI. Minimal Capital Investment Requirement states “All aspects of design, including, but not limited to, signage, fixtures, furnishings are subject to RAP approval.” The design is at the discretion of the concessionaire. However, is subject to RAP approval.

5. Is the allowance of 10 Special Events the maximum? Why the restriction of Special Events? Do film shoots constitute Special Events?

Answer: The RFP Page 4, Section VII. Proposal Items, 2.1 Additional Services and Special Events states “The Concessionaire will be authorized to host up to ten (10) special events per space per year.” Additional events may be requested by the successful operator. However, RAP may approve or deny such requests. Filming is considered a RAP sponsored special event.

6. How was the base rent determined? Is this standard with other RAP owned restaurant/café? Is there a listing of current RAP agreements that we can review?

Answer: The minimum concession fee is based on a study of comparable restaurant operations. Other RAP agreement rent minimums are set based on historical data. All RAP concession agreements are subject to the California Public Records Act.

7. It states in the RFP that the food must be high quality at reasonable prices, how is reasonable determined? What restaurants and cafés in Los Angeles currently does RAP feel meet this standard?

Answer: Reasonable prices are determined by RAP based on comparable restaurant industry prices. RAP currently operates an Agreement with Beacon I Echo Park Café which meets this standard.

8. Are 50 year leases offered under conditions where the concessionaire does all the build out for the project? Can this be proposed?

Answer: RAP does not offer 50 year leases. The term of the Agreement is set forth in the RFP Page 1, Section I - Introduction - Term: “Ten years plus one five-year extension option.”

9. Is interest earned on the Performance Deposit?

Answer: Yes