

+ integrity + technology + innovation + initiative + knowledge + creativity



**Proposal to Provide  
Parking Management Services**

**Washington Marriott  
Wardman Park**  
Washington, DC



Submitted to:



March 9, 2020

INNOVATION **IN** OPERATION®

[www.spplus.com](http://www.spplus.com)

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March 9, 2020



**Re: Parking Management Proposal, Marriott Wardman Park**

Dear Ms. Manyam:

Thank you for the opportunity to provide parking management services for Marriott Wardman Park. Based on our research, we have developed a proposal outlined here for consideration. Key deal points are below. Also attached is an operating pro forma along with details on our operations revenue dashboard.

**Key Deal Points**

**+ Deal Term**

SP+ proposes a five (5) year agreement to begin on May 1, 2020. During this agreement SP+ will operate parking management services for the property. The benefit of a long term partnership to the owners will be in incremental revenue growth, technology upgrades, and improved customer service.

**+ Financial Terms**

SP+ is offering [REDACTED]% of net revenue, \$ [REDACTED] in comps, adjustments, and discounts, with Marriott Wardman Park as the merchant of record. This is based on 2.5% increases to the valet and self-parking rates annually.

**+ Equipment Upgrades and Capital Investment**

Our offer includes a capital investment of \$ [REDACTED] (50% of the total cost of the project at \$ [REDACTED]) to upgrade valet point of sale technology. We will install Aria PARCS Equipment, which is based on the CVPS Platform. Aria comes with a fully customizable dashboard, where users can access reports and view data. Guests will be able to pay-by-phone with no app required, simply scanning the barcode on their ticket will take them to a secure payment website. Receipts are also available via text or email, it is even possible to push satisfaction surveys.

**+ Owner Profits**

| Time                         | Profit               |
|------------------------------|----------------------|
| Year 1                       | \$ [REDACTED]        |
| Year 2                       | \$ [REDACTED]        |
| Year 3                       | \$ [REDACTED]        |
| Year 4                       | \$ [REDACTED]        |
| Year 5                       | \$ [REDACTED]        |
| <b>Total profit to owner</b> | <b>\$ [REDACTED]</b> |

+ **Service**

**SP+** will utilize extensive local resources to execute training to AAA five diamond standards. Each employee will complete a 3 day on job training, annual online training, and be tested monthly by our secret shopper program. Our shop is unique in that it not only helps promote consistent use of service standards, but also features video and audio options, as well as risk management and loss prevention assessments.

+ **Maintenance**

**SP+** will use internal Maintenance Team to ensure pristine conditions in all garages on property. Sweeps will be scheduled quarterly along with bi-annual power washes.

+ **Remote Management Services (RMS)**

Remote Management Services will be used on the PARCS equipment to respond to any customer needs. RMS is available 24/7, with cameras in each lane to see any issues that arise and resolve them accordingly. RMS currently supports over 380 locations, and integrates with 10 different PARCS Packages. 92% of the calls are answered in less than 30 seconds, with each call lasting just over 60 seconds. This is quite a feat given the average amount of calls per month is well over 150,000.

+ **Talent**

**SP+** pays its valet attendants minimum wage, which will lead to recruiting top talent in the area. Paying these wages will give us an advantage on our competition and ensure Marriott Wardman Park has the most exceptional valet staff in the market.

**Operational Recommendations**

+ **Local Support**

**SP+** will provide a Facility Manager to be primary point of contact for owner at the location. The Facility Manager will be supported by an on-site Assistant Facility Manager, and locally by a Senior Manager and Regional Manager. **SP+** has the ability to share staff between locations to ensure peak volumes can be met with adequate staffing and support. We currently operate 19 Washington, DC locations in our hospitality portfolio and have 33 hospitality dedicated managers in market.

+ **Bags**

Our recent acquisition of Bags, Inc. will allow us to provide properties like Marriott Wardman Park with some additional service offerings that will prove to be a value add for Owner and customer alike.

+ **Consulting Services**

**SP+** offers complimentary consulting services to our clients. The services provided range from striping plans, traffic management and flow, signage package recommendations, operational recommendations and planning, and large venue specialist at **SP+ GAMEDAY**.

Thank you again for inviting **SP+** to join this process. We trust our proposal demonstrates how we are uniquely qualified to operate Marriott Wardman Park and are confident we will only add to the level of service your guests have come to expect.

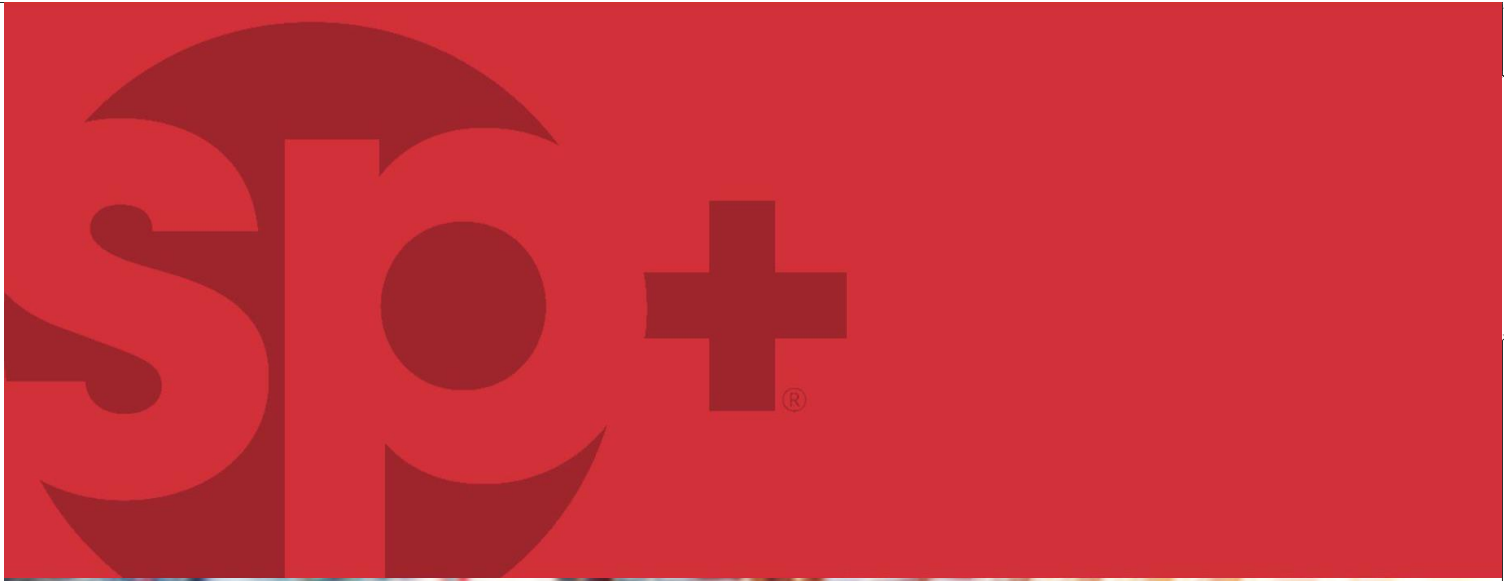
Please do not hesitate to contact me at any time to discuss: [REDACTED] or [REDACTED].

Sincerely,



Matthew Witt  
Regional Manager

Cc: Justin Rogers



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About SP+

# 1. About SP+

SP Plus Corporation (NASDAQ: SP) provides professional services through its operating groups and service lines to property owners and managers in all markets of the real estate industry.



## SP+ COMPANY STATISTICS

Employees: 23,000

Total Facilities: 3,400+

Total Spaces Managed: 2 Million

Cities Operated in: 350

Annual Gross Receipts: \$4 Billion

Hotels Operated: 200+

Shuttles Operated: 825

### SP+ operating groups include:

- + **SP+ Airport Services**
- + **SP+ GAMEDAY**
- + **SP+ Healthcare Services**
- + **SP+ Hospitality Services**
- + **SP+ Municipal Services**

- + **SP+ Office Services**
- + **SP+ Residential Services**
- + **SP+ Retail Services**
- + **SP+ University Services**

### SP+ service lines include:

- + **SP+ Event Logistics**
- + **SP+ Facility Maintenance**
- + **SP+ Security Services**
- + **SP+ Transportation**

## Portfolio of Services

Our ability to deliver a portfolio of services as a single provider simplifies the administrative burden on our clients, enabling them to use the economic benefits of having a single relationship. Since our clients have only one reporting relationship to manage, we're able to more effectively and efficiently deliver a range of services than typically possible through multiple providers.

We're built on integrity and innovation, laser-focused on delivering the highest level of service to our customers and clients. We've set the industry standard in integrating new technologies, online interactive marketing programs, parking amenities and customer service programs, revenue control, financial reporting, expense containment, employee professionalism, and proactive management. Our operations maximize facility profitability while at the same time making parking a first-class, enjoyable experience. As a public company subject to the requirements of the Securities Exchange Act of 1934 and the Sarbanes-Oxley Act, we adhere to accounting, internal control and reporting standards that are more rigorous than those typically followed by our non-public competitors.

We invite you to visit [www.spplus.com](http://www.spplus.com) to learn more.

## SP+ is an Accredited Parking Organization

The International Parking and Mobility Institute (IPMI) has recognized **SP+** as the first commercial parking operator to earn the Accredited Parking Organization (APO) with Distinction designation. This designation is reserved for the top 5% of parking organizations worldwide that demonstrate a comprehensive standard of excellence in our industry.



## SP+ Hospitality Services & Its Offerings

### Parking Management

**SP+ Hospitality Services** offers clients the latest parking technologies appropriate for the hotel environment. We'll help clients procure, install and test parking equipment, and will put in place customized guest arrival and departure procedures.

We offer business strategies to optimize pricing and maximize profits. We control costs by using financial systems tailored to the unique needs of the hospitality industry. Custom solutions include systems that post self-park fees to room charges, transaction automation equipment that lowers cashier labor costs and reduces cash handling, and a reporting platform that lets hotel executives securely download monthly financials and detailed back up reports at their convenience.

Our parking services cover:

- + Facilities startup
- + Self-park operations
- + Cash-flow management
- + Revenue controls
- + Pricing optimization/profit maximization



### Valet Parking

We raise “white glove” valet service to a whole new level. Guided by the highest standards of the service and hospitality industry, our employees project a professional image and deliver service levels commensurate with that of the hotels they serve. Coordinating with hotel staff, we anticipate and accommodate peak traffic times to ensure that each guest receives a courteous welcome, prompt car retrieval and smooth departure. Because we typically control a large number of parking spaces in nearby facilities, we’re able to provide extra hotel parking during peak periods.

Our valet services include:

- + Creation of attractive staging areas
- + Doorman services
- + Baggage handling
- + Directions and maps



### Technology Integration

Our clients benefit from the latest parking technologies available for the hotel environment. We help clients procure, install, test parking equipment and implement customized guest arrival and departure procedures.



We use automated call-down services that allow guests to call or send a message to the hotel parking garage when they are ready to retrieve their vehicles. Our web and mobile-supported valet management system allows clients to reduce vehicle wait times and improve the customer parking experience at their hotels.

Our parking technologies provide clients with:

- + Revenue controls
- + Reduced labor costs
- + Reduced customer wait times
- + Electronic reporting and customer database



## Bags

SP+ completed the purchase of Bags in November, 2018. Bags combines exceptional customer service with innovative technologies to provide remote airline check-in, baggage handling and related services. Based in Orlando, Florida, Bags operates in over 250 cities in North America with approximately 3,000 employees. Its clients include major airlines, airports, sea ports, cruise lines, and leading hotels and resorts. Bags handles more than 5 million checked bags annually. Bags generated approximately \$145 million in revenues in 2017.



## Our Approach to Hotel Parking

### Effective Communications with Hotel Management

A vital part of any hotel parking operation is constant, effective communication between the hotel and the parking staff. We have our on-site managers participate in those portions of the hotel's regular staff meetings that address upcoming hotel functions and expected occupancy. Doing so not only enhances our ability to plan our valet staffing schedule according to the hotel's projected activity levels, but also fosters a feeling that the valet parking staff is a part of the "hotel family," which in turn encourages optimal performance.

### Hands-On Management

SP+ Hospitality Services focuses on providing direct, "hands-on" management participation throughout the senior levels of our management structure. Our ancillary management staff is close by and can devote significant time and energy to the parking operation—including regular on-site visits, inspections and reviews—to assure that our mutual goals and objectives for its performance are achieved.

### Hotel Valet & Customer Service Training

We provide our hotel valet parking personnel with extensive operational and customer service training. We strongly encourage our hotel clients to allow valet personnel to participate in customer service training programs administered by the hotel for the hotel's own employees. Doing so assures that our valet staff understands the hotel's customer service expectations and facilitates teamwork among all hotel personnel.

## Adherence to a Valet Code of Conduct

Valet service requirements are set out in our Valet Code of Conduct, which documents performance expectations for our hotel valet employees. We cover it all, from nametags and uniforms to key handling procedures and the proper placement of ticket stubs on the vehicles.

## Employee Appearance & Professionalism

Because parking attendants are the first and last representatives with whom many of your guests and visitors will have contact with, we require our employees to adhere to a dress code adopted in conjunction with hotel management.

## Reducing Vehicle Retrieval Times

An important aspect of any valet parking operation—and one that is critical to ensuring customer satisfaction—is prompt vehicle retrieval time. In addition to providing specific training to employees on efficient retrieval procedures, we'll review and evaluate the current traffic circulation pattern to ensure that the most efficient routes are used and procedures followed.

## Minimizing Damage Claims

**SP+** will review your operation and recommend procedures and policies to minimize damage claims. We have developed an effective system, through the use of our Incident Report Claim Forms, to research each claim and report the results to the claimant as quickly and objectively as possible. Our goal is to quickly and empathetically respond to all damage claims.

## Valet Standards & Responsibilities

Our primary goal is to provide the guests and visitors of Washington Marriott Wardman Park with the highest level of service. For that reason, **SP+** has developed the following valet standards that would be tailored to meet your needs:

### Arrival

- + Curbside kept neat and clean
- + Guest greeted within 10 seconds
- + Staff polite and professional, smiles and makes eye contact with guest
- + Umbrella service provided, if applicable
- + Staff wore a legible nametag
- + Staff well-groomed; uniform free of dirt and stains
- + Staff displayed positive behavior (No eating, drinking, smoking, chewing gum, or other unprofessional behavior)
- + Guest informed of any charges for valet parking in advance
- + Guest given a claim check and given clear instructions for reclaiming car for use
- + Valet personalize service to the guest by using the guest name in conversation

## Departure

- + Call for car retrieval answered within three rings
- + Staff greeting was clear, audible; pleasant tone of voice
- + Agent stated their name
- + Permission asked before placing call on hold
- + On hold less than 30 seconds
- + Vehicle brought within five minutes of request or within time quoted
- + Car door opened for departing guests
- + Thanks provided to departing guests
- + Staff extended thanks for a gratuity and a pleasant parting comment
- + Car returned with radio and seats in same position
- + Car returned with temperature controls set for guest comfort
- + Valet parking accessible 24 hours per day
- + Staff wore a legible nametag
- + Staff well groomed; uniform free of dirt and stains
- + Staff displayed positive behavior (No eating, drinking, smoking, chewing gum, or other unprofessional behavior)
- + Money left in vehicle remained untouched
- + Area not congested; traffic flowed in orderly manner

## Delivering Five Diamond Service

At the core of **SP+** lies the key process to execute the highest levels of customer service. Before going “above and beyond” our associates must be experts in the basics. This program allows our engaged staff to understand the rating programs and standards utilized by the AAA and Forbes organizations. We focus on the important elements and the subtle nuances of delivering Five Diamond and Five Star service every day.



This highly interactive session will discuss each required standard in detail and will discuss proper execution at each location. Live “on the curb” practice of arrivals and departures will reinforce the information captured during the session. Repetition and practice “on the curb” will ensure execution is consistent by all staff at all times.

## Topics

- + AAA Five Diamond Standards
- + Forbes Five Star Standards
- + **SP+** brand standards
- + Client specific brand standards

## Objectives

By the end of the session, you will understand:

- + How to differentiate between “good” and “great” customer service
- + The skills required to execute the AAA Five Diamond and Forbes Five Star standards
- + How your service impacts customer loyalty
- + The psychology of luxury customer service

## Audience

- + Valet Attendants
- + Cashiers
- + Doorpersons
- + Lot Attendants

## Duration

- + Keynote presentation (up to two hours)
- + Half day presentation with curbside follow-up (four hours)
- + Full day presentation with in depth curbside
- + Training (up to seven hours)

## Quality Assurance Program

Our **SP+** operating divisions are keenly focused on providing the best service to our customers and clients. As a result we implement several methods to ensure that the level of service we provide in our facilities exceeds all expectations. We have a broad spectrum of programs designed to ensure timeliness and quality of the products we deliver to our clients and customers.

We have decades of experience working as office buildings’ parking department manager. This experience enables us to understand the nuances of issues that occur at an office building parking operation. Many parking operators can train their staff to maximize revenues and minimize expenses, but the true test of a value-added support partner for the client is the parking operator’s willingness, enthusiasm, and ability to do so in a manner that also can make the level of customer service it provides to all parking constituencies occur not only when things are functioning smoothly as planned, but when disruptions occur for whatever reasons, and which therefore, require a sensitive and prompt willingness to try and resolve the difficulty for each and every patron.

The overall “quality of service” that we provide at our facilities falls into two basic categories—both of which are of equal importance in making a direct, meaningful impression on our parking patrons: (1) the physical cleanliness and appearance of the parking facility and environment and (2) the quality of the interactive service provided by our facility personnel. We have outlined some of these programs on the following page.

### **Mystery Shopper Program**

In order to ensure that our parking operations maintain the highest levels of customer service, we utilize a Mystery Shopper Program. The evaluations are performed by a professional mystery shopping service. At a minimum, one shop is performed per location per month, varying shifts from month to month. The shops can be customized to target key items and areas of focus such as employee and facility appearance, accuracy of fee charged and customer service. The mystery shopper looks at the location through the eyes of a customer and provides a detailed report of their visit to the location. The mystery shop findings are communicated to the members of the operational management team for review and follow up. The reports are documented and kept on file at the location.

### **Safety Training Program**

Our safety training program is designed to help managers and employees establish and maintain a safe environment in the parking facility. In addition to providing the training, Facility Managers are required to perform daily inspections of the facility, monthly hazard evaluations and an annual Safety Program Assessment.

The components of the safety training include:

- + Safe work practices
- + Emergency procedures
- + Vehicle safety
- + Use of man lifts
- + Use of tools & equipment
- + Proper work shoes and other personal protective equipment
- + Code of safe practices
- + Training on any toxic materials
- + When and where to report unsafe conditions
- + How, when and where to report accidents and injuries
- + Policy on medical treatment for work related injuries
- + Progressive disciplinary policy for safety violations

### **Injury & Illness Prevention Program (IIPP)**

For years safety experts have tried to implement programs to prevent employee injuries and government has passed many regulations to help OSHA enforce workplace safety. But all of the laws, programs and rules in the world can't keep an individual from injury—if he or she doesn't think.

Statistics have shown that for every on-the-job accident caused by unsafe conditions, there are at least four (4) that can be attributed to unsafe acts.

What an employee does or fails to do can directly affect personal safety. Thinking is a personal action that no one else can do for the individual. Failure to fully think the task through is often seen as the hidden safety hazard or unsafe act that contributes to workplace accidents.

## DC Hospitality References

**SP+ Hospitality Services** is dedicated to the hotel market and operates more AAA Five Diamond hotels than any other parking company. **SP+** currently provides services to over 120 hotels, resorts, and casinos in 11 states and Puerto Rico. Our current property list includes high-end branded hotels, residences, and exclusive resorts including: Ritz-Carlton, St. Regis, Waldorf Astoria, Marriott, Mandarin Oriental and Four Seasons.

**SP+** has provided the following fifteen hotel references in the DC area. The clients can attest to the professionalism and results oriented focus of our operations.



**Park Hyatt Washington**  
1201 24th St NW, Washington, DC 20037



**Hyatt Regency Washington on Capitol Hill**  
400 New Jersey Ave NW, Washington, DC 20001



**MGM National Harbor**  
101 MGM National Ave, Oxon Hill, MD 20745



**The St. Regis Washington DC**  
923 16th and K Streets, NW, Washington, DC 20006



**The Hay-Adams**  
800 16th St NW, Washington, DC 20006



**The Mayflower Hotel**  
1127 Connecticut Ave NW, Washington, DC 20036



**The Westin Georgetown**  
2350 M St NW, Washington, DC 20037



**Georgetown University Hospital**  
3800 Reservoir Rd NW, Washington, DC 20007



**Ritz Carlton Tyson's Corner**  
1700 Tysons Blvd. McLean, VA 22102



**Hotel Roanoke and Convention Center**  
110 Shenandoah Ave NE, Roanoke, VA 24016



**Westin Arlington Gateway**  
801 N Glebe Rd. Arlington, VA 22203



**The Washington Court Hotel**  
525 New Jersey Ave NW, Washington, DC 20001



**Liaison Hotel**  
415 New Jersey Ave NW, Washington, DC 20001



**Hampton Inn Navy Yard**  
1265 First St SE, Washington, DC 20003



**Courtyard Marriott US Capitol**  
1325 2<sup>nd</sup> St NE, Washington, DC 20002



**Northern Virginia Doctors Medical Center**  
611 S. Carlin Spring Rd. Arlington, VA 22204



**Eaton Hotel**  
1201 K St NW, Washington, DC 20005

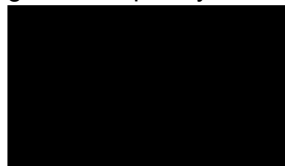


**Arena Stage at The Mead Center for American Theater**  
1325 2<sup>nd</sup> St NE, Washington, DC 20002

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**Matthew Witt**  
Regional Hospitality Manager



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