

BILL/ RESOLUTION REQUEST

1. Title: Approves an amendment to the user agreement with the Denver Cutthroats, LLC, a minor league hockey team. The amendment revises: (i) the Game day fees and expenses for year two and year three of the term and (ii) the ticket rebate schedule (201102885).

2. Requesting Agency: Arts & Venues Denver

3. Contact Person *with actual knowledge of proposed ordinance*

Name:Tad Bowman

Phone:720.865.4244

Email:tad.bowman@denvergov.org

4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary*

Name:Tad Bowman

Phone:720.865.4244

Email:tad.bowman@denvergov.org

5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved

a. Scope of Work

The ordinance will approve the First Amendment to User Agreement with the Denver Cutthroats, LLC, a minor league hockey team. The amendment revises: (i) the Game day fees and expenses for year two and year three of the term and (ii) the ticket rebate schedule.

Game day fees and expenses paid to the City for year two are reduced from \$6,000 per game to \$4,000 per game. The amendment also changes Game day fees and expenses paid to the City for year three to \$6,000 per game (the original agreement provided for increases based on CPI to begin in year three). Starting in year four, Game day fees and expenses will increase in accordance with the annual percentage increase in the CPI.

Both the original agreement and this amendment provide for User to receive a monthly rebate based on attendance figures (the rebate is credited against amounts owed to the City). The original agreement provided that the amount per ticket of this rebate would increase annually by the CPI each season after Season 2. This amendment delays the increase until Season 3.

b. Duration

Date of Execution to July 31, 2022

c. Location

4600 Humboldt, Denver, CO 80216

d. Affected Council District

e. Benefits

The User Agreement (201102885-00) with the Denver Cutthroats benefits the City and County of Denver in multiple areas, such as, activates the Denver Coliseum, activates the River North neighborhood, provides affordable entertainment, is a catalyst for additional business at the Denver Coliseum, promotes the use of the Denver Coliseum to the community, is a catalyst for facility improvements, generates Facility Development Tax.

f. Costs

The original agreement generates estimated revenues of \$2,621,460.00 (over the term of the contract) from facility rental and game fees and \$1,623,874.00 (over the term of the contract) in expenditures for commission fees. The amendment will reduce the estimated revenue by \$58,000.00 - \$60,000.00.

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR13-0758

Date: 10/21/2013