

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

****All fields must be completed.****
Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: 4-16-12

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** *Skyport Companies, Inc. dba Woody Creek Bakery & Cafe - New Concession Agreement.*

3. **Requesting Agency:** Department of Aviation

4. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Bryan Touchstone
- **Phone:** 303-342-2501
- **Email:** Bryan.touchstone@flydenver.com

5. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor Council and who will be available for first and second reading, if necessary.)*

- **Name:** Brian Elms
- **Phone:** 303-342-2278
- **Email:** brian.elms@flydenver.com

6. **General description of proposed ordinance including contract scope of work if applicable:** This Agreement complies with the exception to Executive Order 8B. This will place the Woody Creek Bakery and Café under its own 10 year agreement to sell food and beverages to airport passengers on the B Mezzanine. Aviator's Lounge holds concession agreements in three locations in the airport, smoking lounges in the Jeppesen Terminal and on Concourse B and the Woody Creek restaurant on Concourse B. These agreements expire in November 2014. Converting the smoking lounges to non smoking reduces the cash flow from the locations. Further, due to the demands of placing new concepts, the spaces currently occupied by Smoking Lounges will be gutted and remodeled at a cost to the concessionaire of \$2.7 million initially and up to \$3.5 million once mid- term refurbishments are included. The term for each of these food/beverage locations is ten (10) years in order for the concessionaire to amortize the investment.

The scale of the investment combined with the loss of cash flow from the lounges requires all three locations in order to economically support the change of the smoking lounges to non smoking businesses. Accordingly, to achieve the change away from smoking earlier than the termination date of the agreements it was necessary for the airport to engage in a direct negotiation with Aviators Lounges.

*****Please complete the following fields:*** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** PLANE-201205662-00
- b. **Duration:** 1/1/2013 through 12/31/2022
- c. **Location:** DIA
- d. **Affected Council District:** 11
- e. **Benefits:** Eliminates smoking and provides on-going revenue generation.
- f. **Costs:** \$285,000

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date: _____

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$285,000		\$285,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
1/1/2013 through 12/31/2022		

- g. Date Goals Assigned:** 3/21/2012
- h. Goals:** 0%

7. Is there any controversy surrounding this ordinance? Please explain. *Over the last few years, the airport's smoking lounges have been the focal point of some anti-smoking groups. This agreement is required to terminate the existing lease covering the Aviator's Lounge (smoking) and Woody Creek (non-smoking) on the B Mezzanine which will separate the spaces. This agreement is also required to supplement the cash flow necessary to provide a return on the capital invested in the related agreements to convert the Aviator's Lounges on the B Mezzanine and Jeppesen Terminal to Aviator's Club and Jamba Juice, respectively.*

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