

BILL/ RESOLUTION REQUEST

- 1. Title:** Approves a Concession Agreement with DIA Health & Beauty, LLC dba MAC. The agreement requires a \$338,810.00 capital investment and a mid-term refurbishment of \$67,762.00 and the term is seven (7) years in order for the concessionaire to amortize the investment. The annual MAG will be \$113,900.00 or a percentage of compensation, whichever is greater (PLANE-201311043-00).
- 2. Requesting Agency:** DIA
- 3. Contact Person *with actual knowledge of proposed ordinance***
 - Name:** John Ackerman
 - Phone:** (303) 342-2568
 - Email:** John.Ackerman@flydenver.com
- 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:** Amy Raaz
 - Phone:** (303) 342-2201
 - Email:** Amy.Raaz@flydenver.com
- 5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**
 - a. Scope of Work**

This Concession Agreement comes within the special circumstances described in Executive Order 8B. DIA Health & Beauty, LLC dba MAC will provide this specialty retail concept to the traveling public and employees at DIA on Concourse B (797.2 SF). This agreement will require a \$338,810.00 capital investment and a mid-term refurbishment of \$67,762.00. The term for this opportunity is seven (7) years in order for the concessionaire to amortize the investment. The annual MAG will be \$113,900.00 or a percentage of compensation, whichever is greater. DIA Health & Beauty LLC is a joint venture between Travel Retail West, LLC and JAF Concessions, LLC. JAF Concessions, LLC is the ACDBE partner and has a 15% interest in the joint venture.
 - b. Duration**

DOE + 7 Years
 - c. Location**

DIA, concourse B
 - d. Affected Council District**

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 - e. Benefits**

A new concept to the DIA Concessions Program offering a brand name of upscale beauty, skin care, and make-up products.

f. Costs

Current Contract Amount

(A) Additional Funds

(B) Total Contract Amount

(A+B)

\$113,900.00 Annual MAG

\$113,900.00 Annual MAG

Current Contract Term Added Time New Ending Date

7 Years + 9 Months

7 Years + 9 Months

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

No.

Bill Request Number: BR13-0487

Date: 7/17/2013