

BILL/ RESOLUTION REQUEST

1. Title: Approves a concession agreement with HG Denver JV, to operate at the airport under the trade names of Hudson News and Tattered Cover Book Store (PLANE 20124353-00).

2. Requesting Agency: DIA

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

Name:Bryan Touchstone

Phone:303-342-2501

Email:Bryan.touchstone@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:Brian Elms

Phone:303-342-2278

Email:brian.elms@flydenver.com

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

a. Scope of Work

This is a new concession agreement with HG Denver JV, which will operate at the airport under the trade names of Hudson News and Tattered Cover Book Store.

At the time this contract was negotiated, DIA was able to issue RFP for spaces as well as to direct negotiate in limited circumstances, such as for an iconic brand offering to enhance the customer service and appeal of the concessions program or in cases where there is an outstanding economic opportunity. Because of Hudson's exclusive arrangement with Tattered Cover, the airport determined that it would direct negotiate because direct negotiation would 1) ensure a desirable Tattered Cover Book Store entry into the airport, 2) ensure rents above current policy.

Further, it was believed that linking Tattered Cover with newsstand operations would ensure overall viability from Newsstand margins and sales levels. This agreement covers 9 locations in the terminal and concourses and is the second time DIA has reached agreement on multiple locations under a single contract, the first being the B mezzanine with Skyport covering 9 locations.

b. Duration

9/1/2012 through 1/31/2024

c. Location

DIA

d. Affected Council District

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e. Benefits

To bring iconic Tattered Cover Book Stores and retain high quality Hudson News at DIA with all new construction of a pleasing design.

f. Costs

\$587,174

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

See general description.

Bill Request Number: BR12-0363

Date: 4/30/2012