

CONCESSION AGREEMENT

This Concession Agreement is made by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation and home rule city of the State of Colorado (the “City”), and **DAZBOG DENVER BLDG. LLC**, a Colorado limited liability company, whose address is 1090 Yuma Street, Denver, Colorado 80204 (the “Concessionaire”).

WHEREAS, the City leases and operates the municipal office facility known as the Wellington E. Webb Municipal Office Building, located at 201 W. Colfax Avenue, Denver, Colorado 80202 (the “Property”); and

WHEREAS, the City has leased the Property from Civic Center Office Building Inc., Master Lessor, pursuant to the Third Amended and Restated Build To Suit Lease Purchase Agreement No. 2008A dated October 1, 2008 (“Master Lease”).

WHEREAS, the City requested proposals for the operation of a coffee kiosk upon a portion of the Property; and

WHEREAS, the City has chosen the Concessionaire to provide such operation of a coffee kiosk and now desires to enter into this Concession Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter contained, the City and the Concessionaire agree as follows:

1. CONCESSION RIGHTS GRANTED: The City grants to the Concessionaire, within the Property, subject to all of the terms, covenants and conditions of this Concession Agreement, the right, privilege and obligation to occupy, equip, furnish, operate, and maintain a coffee kiosk in and upon the portion of the Property in the atrium in the approximate amount of 180 square feet and generally as located and depicted on the floor plan which is **Exhibit A** attached hereto (the “Concession Space”).

The Concessionaire agrees that its use of the Concession Space shall be for the sole purpose of offering for sale at the Property food and beverage services and for no other purposes, unless otherwise authorized in advance in writing by the City’s Director of Real Estate (“Director”), or his/her authorized representative.

The Concessionaire acknowledges that the City fully retains the right to provide facilities and services for making available to its employees, and to the general public, food products, coffee and other beverages, and other goods or services, whether such facilities and services are provided directly by the City itself or through its separate contractors, tenants, licensees or other providers. Notwithstanding the foregoing, the City agrees that it will not enter into a concession or lease agreement with another entity whose main business identity and primary sales are of (a) whole or ground coffee beans, (b) espresso, espresso-based drinks or coffee-based drinks, (c) tea or tea-based drinks, (d) brewed coffee and (e) coffee blended beverages during the term of this Concession Agreement at the Property. It is specifically acknowledged and agreed that Russell’s and Subway (and any similar replacement concessionaires) are allowed to offer beverages for sale which may include coffee and tea products.

The Director, or his/her authorized representative, shall be responsible for administering this Concession Agreement for the City and will serve as the Concessionaire's point of contact in regard to its day-to-day operations.

2. TERM: The initial term of this Concession Agreement shall be five years and shall commence on or about June 1, 2018, but only upon completion of the plumbing installation pursuant to Section 6 below (the "Commencement Date") and shall expire on the date that is five years after the Commencement Date, which is anticipated to be May 31, 2023 (the "Expiration Date"), unless sooner terminated pursuant to the terms of this Concession Agreement. So long as Tenant is not in default under this Concession Agreement beyond applicable notice and cure periods, Tenant will have the option to renew the term of this Concession Agreement for one additional period of five years (the "Renewal Term"), subject to the further provisions of this section. Tenant must exercise the option with respect to the Renewal Term, if at all, by giving notice of exercise to the City on or before the date that is 60 days prior to the then applicable Expiration Date. The Renewal Term will be on the same terms and conditions as this Concession Agreement, except the compensation payable to the City shall be as set forth in Section 3 below.

3. COMPENSATION AND FEES: The Concessionaire covenants and agrees that it shall pay to the City as compensation hereunder for the rights and privileges herein granted during the initial term a total sum of **FORTY-EIGHT THOUSAND DOLLARS AND NO CENTS (\$48,000.00)** in monthly installments as follows:

- \$750 per month Commencement Date through 5/31/2019
- \$775 per month 6/1/2019-5/31/2020
- \$800 per month 6/1/2020-5/31/2021
- \$850 per month 6/1/2021-5/31/2022
- \$900 per month 6/1/2022-5/31/2023

The Concessionaire covenants and agrees that it shall pay to the City as compensation hereunder for the rights and privileges herein granted during the Renewal Term, if exercised, a total sum of **SIXTY-THREE THOUSAND DOLLARS AND NO CENTS (\$63,000.00)** in monthly installments as follows:

- \$950 per month 6/1/2023-5/31/2024
- \$1,000 per month 6/1/2024-5/31/2025
- \$1,050 per month 6/1/2025-5/31/2026
- \$1,100 per month 6/1/2026-5/31/2027
- \$1,150 per month 6/1/2027-5/31/2028

If the Commencement Date is delayed beyond June 1, 2018 then the term and payment schedule above shall be adjusted accordingly to give effect to the full five year period for the initial term and the full five year period for the Renewal Term.

4. PAYMENT OF THE CITY'S COMPENSATION: The Concessionaire's compensation to the City shall be payable by the Concessionaire to the City in advance and without demand commencing on the first day of June, 2018 (unless plumbing installation is not

complete in which case payment shall commence after completion of the plumbing installation on the Commencement Date) and continuing on the first day of each calendar month throughout the term of this Concession Agreement.

Any payments not made to the City when due shall accrue interest at the rate of 15% per annum (“Past Due Interest Rate”) from such due date.

5. PLACE AND MANNER OF PAYMENTS: In all instances where the Concessionaire is required by this Concession Agreement to pay fees or other charges or payments to the City, such payments shall be made without notice or invoice, payable to the City’s Manager of Finance. Each payment shall be delivered to the Office of the Director of Real Estate, 201 W. Colfax Avenue, Department 1010, Denver, Colorado 80202, or at such other place that the Director may hereafter designate to the Concessionaire and shall be made in legal tender of the United States. Any check given to the City shall be received by it subject to collection and the Concessionaire agrees to pay any charge incurred by the City for such collection.

6. IMPROVEMENTS TO CONCESSION SPACE: Concessionaire will be required to pay for the installation of plumbing facilities which shall at a minimum include stub ups for hot and cold water lines, a four inch floor drain, and all associated piping and pipe insulation and sinks needed to service the Concession Space. Plans for the installation of this plumbing work must be approved by the Director and the City’s Director of Facilities Management, which consent shall not be unreasonably withheld, conditioned or delayed. The installation of this plumbing work shall be contracted for by the City through a City-approved contractor who will comply with all applicable City ordinances, including then current ordinances related to the payment of prevailing wages and City ordinances related to (a) small business enterprise participation as currently set forth in Sections 28-201 to 28-231 of the DRMC; and (b) any small disadvantaged business enterprise ordinances that may subsequently be adopted by the City Council with respect to construction work that is not under contract at the time of adoption of such ordinance. Such plumbing work is estimated to be a minimum of \$15,000.

7. OPERATION OF CONCESSION SERVICES: In the operation of the concession business herein authorized and in the manner and method of the conduct thereof, Concessionaire shall maintain a standard at or above the industry standard of a like business establishment and shall provide quality products of a standard that is acceptable within the industry for a like product and service, shall furnish prompt, courteous and efficient service adequate to meet all reasonable requests therefore and shall provide polite and inoffensive conduct and demeanor on the part of its representatives, agents, servants, and employees. In the event that the Director believes, in its reasonable discretion, that these standards are not being met the Director shall provide immediate notice of the assertion of any deficient standards and indicate what additional measure need to be taken to correct the standards or quality of products.

Concessionaire agrees that its operation of its concession hereunder at all times shall comply with **Exhibit B, “Standards of Operation”** attached hereto and incorporated herein by reference. Concessionaire further agrees that **Exhibit B** may be revised from time to time by the City upon reasonable notice to the Concessionaire, and that in the event of such revisions,

Concessionaire will conduct its operations hereunder in conformity with such revised Standards of Operation so long as the same do not materially adversely affect Concessionaire's use of the Concession Space.

Concessionaire shall comply with all applicable federal, state, and local laws and regulations governing food service establishments. Concessionaire agrees to obtain at its own expense, and to maintain at all times, all licenses and certificates necessary for the operation of a food service establishment and to comply with all applicable health, safety, and sanitary laws, regulations, and inspections concerning same.

8. PROHIBITED ACTS: Concessionaire shall not do or permit to be done anything which may unreasonably interfere with the effectiveness or accessibility of utility, heating, ventilating or air conditioning systems, elevators, or portions thereof on the Concession Space or elsewhere in the Property, nor do or permit to be done anything which may unreasonably interfere with free access and passage in the Concession Space or the public areas adjacent thereto, nor hinder police, firefighting or other emergency personnel in the discharge of their duties.

9. UTILITIES AND OTHER SERVICES: The City shall, at its expense, furnish normal and reasonable quantities of central air, heat, electricity, and water. The City shall provide trash disposal and janitorial services around the Concession Space. Concessionaire shall be responsible for the clean-up of the coffee cart/kiosk itself.

10. REPAIRS, MAINTENANCE AND OTHER SERVICES: The Concessionaire shall pay for and make all repairs, and shall provide all maintenance, to the coffee cart/kiosk, plumbing being installed and the Concessionaire Equipment (as defined below) as necessary for the proper use and enjoyment of the Concession Space, except as otherwise expressly provided herein.

11. TITLE TO IMPROVEMENTS: Concessionaire agrees no improvements shall be made to the Concession Space without the prior written authorization of the Director, which consent shall not be unreasonably withheld, conditioned or delayed, and that all improvements which are affixed to the realty, such as the plumbing equipment being installed hereunder, shall become the property of the City and County of Denver.

12. REMOVAL OF CONCESSIONAIRE'S EQUIPMENT: Concessionaire shall retain title to and shall remove, at its sole cost, prior to the expiration or termination of this Concession Agreement, all of Concessionaire's Equipment, as hereinafter defined. "Concessionaire's Equipment" shall mean all equipment, apparatus, machinery, signs, furnishings, trade fixtures, and personal property provided and installed by Concessionaire and used in the operation of the business of Concessionaire but shall not include any fixtures, including any plumbing equipment installed pursuant to this Concession Agreement.

If such removal shall injure or damage the Concession Space, Concessionaire agrees, at its sole cost and expense, at or prior to the expiration or termination of this Concession Agreement, to repair such injury or damage in good and workmanlike fashion and to place the

Concession Space in the same condition as existed at the time of occupancy of the facility by the Concessionaire at the commencement of the term of this Concession Agreement. If Concessionaire fails to remove any of Concessionaire's Equipment by the expiration or termination of this Concession Agreement, the City may, at its option, keep and retain any such Concessionaire's Equipment or dispose of the same and retain any proceeds therefrom, and the City shall be entitled to recover from the Concessionaire any costs of the City in removing the same and in restoring the Concession Space in excess of the actual proceeds, if any, received by the City from disposition thereof.

13. PATENTS AND TRADEMARKS: Concessionaire represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names, or slogans used by it in its operations under this Concession Agreement. Concessionaire agrees to save and hold harmless the City, its officers, employees, and agents from and against any actual damages in connection with any actual or alleged infringement or any unfair competition or other similar claim arising out of the operations of Concessionaire under this Concession Agreement.

14. SECURITY: Concessionaire shall cause its officers, contractors, agents, and employees to comply with any and all security requirements adopted or promulgated from time to time by the City. Concessionaire agrees that it will require its employees to submit to background checks at the request and expense of the City.

15. ADMINISTRATIVE HEARING: Disputes arising out of this Concession Agreement shall be resolved by administrative hearing before a hearing officer under contract with the City, following the procedures outlined in Denver Revised Municipal Code Section 56-106, except that the responsible agency head shall be the Manager of the City's Department of General Services; provided, that the City shall retain its right to obtain an order of eviction in accordance with applicable state law. It is further agreed that no cause of action shall be brought against the City until there has been full compliance with the terms of this paragraph.

16. ASSIGNMENT AND RIGHT TO SUBCONTRACT: The Concessionaire shall not assign or transfer its rights under or any part of this Concession Agreement nor subcontract with respect to such rights without first obtaining the written consent of the City.

17. TAXES: The Concessionaire will duly pay and discharge all taxes, assessments and other governmental charges, if any, including without limitations any possessory use taxes, which are lawfully imposed on the Concession Space or the Concessionaire's operations hereunder.

18. INDEMNIFICATION:

A. Concessionaire agrees to defend, indemnify, reimburse and hold harmless City, its appointed and elected officials, agents and employees for, from and against all third-party liabilities, claims, judgments, suits or demands for actual damages to persons or property arising out of, resulting from, or relating to the negligent acts or omissions of Concessionaire arising from Concessionaires use of the Concessionaire Space or operations under this Concession Agreement

("Claims"), unless such Claims have been specifically determined by the trier of fact to be the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Concessionaire or its subcontractors either passive or active, irrespective of fault, including City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

B. Concessionaire's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether Claimant has filed suit on the Claim. Concessionaire's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

C. Concessionaire will defend any and all Claims which may be brought or threatened against City and will pay on behalf of City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of City shall be in addition to any other legal remedies available to City and shall not be considered City's exclusive remedy.

D. Insurance coverage requirements specified in this Concessionaire Agreement shall in no way lessen or limit the liability of Concessionaire under the terms of this indemnification obligation. Concessionaire shall obtain, at its own expense, any additional insurance that it deems necessary for the City's protection.

E. This defense and indemnification obligation shall survive the expiration or termination of this Concession Agreement.

19. INSURANCE:

A. General Conditions: Concessionaire agrees to secure, at or before the time of execution of this Concession Agreement, the following insurance covering all operations, goods or services provided pursuant to this Concession Agreement. Concessionaire shall keep the required insurance coverage in force at all times during the term of this Concession Agreement, or any extension thereof, during any warranty period, and for three (3) years after termination of this Concession Agreement. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-"VIII or better. Each policy shall contain a valid provision or endorsement requiring notification to the City in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the Notices section of this Concession Agreement. Such notice shall reference the City contract number listed on the signature page of this Concession Agreement. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-

payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, Concessionaire shall provide written notice of cancellation, non-renewal and any reduction in coverage to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s) and referencing the City's contract number. If any policy is in excess of a deductible or self-insured retention, the City must be notified by Concessionaire. Concessionaire shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Concession Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of Concessionaire. Concessionaire shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Concession Agreement.

B. Proof of Insurance: Concessionaire shall provide a copy of this Concession Agreement to its insurance agent or broker. Concessionaire may not commence services or work relating to this Concession Agreement prior to placement of coverages required under this Concession Agreement. Concessionaire certifies that the certificate of insurance attached as **Exhibit C**, preferably an ACORD certificate, complies with all insurance requirements of this Concession Agreement. The City requests that the City's contract number be referenced on the Certificate. The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Concession Agreement shall not act as a waiver of Concessionaire's breach of this Concession Agreement or of any of the City's rights or remedies under this Concession Agreement. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements.

C. Additional Insureds: For Commercial General Liability, Auto Liability and Excess Liability/Umbrella (if required), Concessionaire and subcontractor's insurer(s) shall include the City and County of Denver, its elected and appointed officials, employees and volunteers as additional insured.

D. Waiver of Subrogation: For all coverages required under this Concession Agreement, with the exception of Professional Liability - if required, Concessionaire's insurer shall waive subrogation rights against the City.

E. Subcontractors and Subconsultants: All subcontractors and subconsultants (including independent contractors, suppliers or other entities providing goods or services required by this Concession Agreement) shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of Concessionaire. Concessionaire shall include all such subcontractors as additional insured under its policies (with the exception of Workers' Compensation) or shall ensure that all such subcontractors and subconsultants maintain the required coverages. Concessionaire agrees to provide

proof of insurance for all such subcontractors and subconsultants upon request by the City.

F. Workers' Compensation/Employer's Liability Insurance:

Concessionaire shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims. Concessionaire expressly represents to the City, as a material representation upon which the City is relying in entering into this Concession Agreement, that none of Concessionaire's officers or employees who may be eligible under any statute or law to reject Workers' Compensation Insurance shall effect such rejection during any part of the term of this Concession Agreement, and that any such rejections previously effected, have been revoked as of the date Concessionaire executes this Concession Agreement.

G. Commercial General Liability: Concessionaire shall maintain a Commercial General Liability insurance policy with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate.

H. Business Automobile Liability: Concessionaire shall maintain Business Automobile Liability with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.

I. Commercial Crime: Concessionaire shall maintain \$1,000,000 in commercial crime insurance coverage. Coverage shall include theft of City's money, securities or valuable property by contractor's employees, including any extended definition of employee. The City and County of Denver shall be named as Loss Payee as its interest may appear.

J. Additional Provisions:

- (a) For Commercial General Liability, the policy must provide the following:
 - (i) That this Concession Agreement is an Insured Contract under the policy;
 - (ii) Defense costs are outside the limits of liability;
 - (iii) A severability of interests or separation of insureds provision (no insured vs. insured exclusion); and
 - (iv) A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City.

- (b) For claims-made coverage:
 - (i) The retroactive date must be on or before the contract date or the first date when any goods or services were provided to the City, whichever is earlier
- (c) Concessionaire shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, Concessionaire will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force.

20. LOSS OR DAMAGE: The City shall not be liable or responsible to the Concessionaire for any loss or damage to any property or person occasioned by theft, fire, Act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition, or order of any governmental entity other than the City.

In the event of a fire or other casualty in or to the Concession Space, the Concessionaire shall immediately give notice thereof to the City. If the Concession Space, through no fault or neglect of the Concessionaire, its agents, employees, invitees or visitors shall be partially destroyed by fire or other casualty so as to render the Concession Space uninhabitable for the purposes of this Concession Agreement, and the City elects to repair the same, the compensation provided for herein shall abate until such time as the Concession Space is made habitable by the City.

In the event of the total destruction of the Concession Space without fault or neglect of the Concessionaire, its agents, employees, invitees or visitors, or if from any cause the Concession Space shall be so damaged that the City shall decide not to rebuild (which decision the City may make in its sole discretion), then all compensation owed up to the time of such destruction or termination shall be paid by the Concessionaire and this Concession Agreement shall cease and come to an end.

21. COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS: Concessionaire in conducting any activity on the Concession Space shall comply with all applicable local, state, and federal environmental rules, regulations, statutes, laws and orders (collectively "Environmental Requirements"), including but not limited to Environmental Requirements regarding the storage, use and disposal of Hazardous Materials or Special Wastes to the environment. For purposes of this Agreement the terms "Hazardous Materials" shall refer to those materials, including without limitation asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, pesticide, and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance," "hazardous waste" or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq (1990), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et. seq (1990), and any rules and regulations promulgated pursuant to such statutes or any other applicable federal or state statute.

22. DEFAULT AND TERMINATION:

A. Default by Concessionaire: Notwithstanding anything in this Concession Agreement to the contrary, the City may terminate this Concession Agreement if:

(1) Any installment payment is in arrears and remains unpaid for a period of ten days, upon the giving by the City of ten days prior written notice to the Concessionaire of its intention to so terminate, unless the payment is made within the ten day period commencing upon the giving of such written notice; or

(2) The City gives written notice of nonpayment of a rent installment as set forth in (1) above more than three times in any twelve month period.

(3) The Concessionaire fails to perform or observe any other provision of this Concession Agreement and such failure continues for thirty days after the City delivers written notice thereof to the Concessionaire, or for such longer prior as may be reasonable required to cure such default, but not to exceed ninety days if the Concessionaire's failure is of such nature that it cannot be cured within a thirty day period; provided that the Concessionaire commences such cure within the thirty day period and diligently prosecutes such cure to completion thereafter.

B. Default by the City: Notwithstanding any provision to the contrary in this Concession Agreement, in the event that the City:

(1) Fails to discharge fully any of its obligations imposed under this Concession Agreement or imposed by the Master Lease or a mortgage that is superior to this Concession Agreement;

(2) Fails to make any repairs that this Concession Agreement or any law requires it to make, then the Concessionaire shall have the following remedies in addition to all other remedies at law and equity:

If an event of a default by the City occurs, the Concessionaire shall give written notice to the City in the manner herein set forth and shall afford the City a reasonable opportunity to cure any such default. If the City fails to cure any such default within thirty days, then the Concessionaire may terminate this Concession Agreement provided, however, that if the default cannot be cured within thirty days and the City is diligently attempting to cure the default, it shall provide written notice to the Concessionaire of the date, which shall not exceed ninety days from the date that it receives that Concessionaire's notice, that it will have fully cured such default. If notice of termination is so given, the City and Concessionaire shall not be relieved of any obligations to be performed up to the date of termination.

23. MECHANIC'S LIENS: The parties acknowledge that no right of lien against public buildings exists under Colorado law. In the event that a claim of such right is filed before a court of competent jurisdiction as a result of any work performed, or materials or supplies furnished to the Concession Space, then the Concessionaire shall pay or cause to be paid all costs for work authorized to be done which may result in liens against the City's or the Master Lessor's interest in the Property or the Concession Space.

In the event that any liens are filed or recorded against the Property or the Concession Space on account of work done for or materials supplied to or on behalf of the Concessionaire, or should any action affecting the title to the Property or the Concession Space be commenced, the Concessionaire shall cause such liens to be released of record within thirty days after receipt of notice thereof or may, in good faith, contest the validity of any such liens. If the Concessionaire desires to contest the validity of any claim of lien, it shall cause the lien to be released of record by the posting of adequate security with a court of competent jurisdiction as may be provided by applicable law. If a final judgment establishing the validity of the contested amount is entered by a court of competent jurisdiction, then the Concessionaire shall pay and satisfy any such adverse judgment that may be rendered against the Property or the Concession Space before the enforcement of any judgment against the City or the Master Lessor.

24. RIGHT TO ENTER: The City and its authorized agents or employees may at any reasonable time enter the Concession Space to inspect and examine the Concession Space, to make and perform improvements, to comply with applicable laws, ordinances, rules, orders, or other governmental regulations, and to post notices of non-responsibility including, but not limited, to those provided for by C.R.S. § 38-22-105(2), as may be amended from time to time.

25. SURRENDER OF POSSESSION: The Concessionaire agrees to surrender possession of the Concession Space to the City at the expiration or sooner termination of this Concession Agreement, or upon the expiration of any renewal or holdover, in as good repair and condition as when the Concessionaire obtained the Concession Space excepting only ordinary wear and tear and decay, or damage by the elements, Act of God, insurrection, riot, invasion or commotion, or of military or usurped power. Upon the expiration or sooner termination of this Concession Agreement, the Concessionaire shall remove all of its furniture, fixtures, and other personal effects from the Concession Space. In the event Concessionaire does not remove all of its furniture, fixtures, and other personal effects from the Concession Space at the expiration of this Concessionaire Agreement, the City may take possession of such items and utilize or dispose of them as it sees fit without any liability to Concessionaire.

26. WAIVER: No waiver of any default by either party shall be deemed to constitute a waiver of any succeeding or other default.

27. HOLDING OVER AFTER TERMINATION: If, after the expiration of this Concession Agreement, the Concessionaire without the consent of the Director, shall remain in possession of the Concession Space without a written agreement, then such holding over shall be deemed to be at a monthly compensation calculated at a rate which corresponds to 150% of compensation which was paid by the Concessionaire for the prior twelve months, prorated to a

monthly basis, payable in advance on the first day of each month, all other terms and conditions of this Concession Agreement remaining the same. Such holdover tenancy shall be subject to termination with ten days prior written notice.

28. CONDITION OF CONCESSION SPACE: The Concession Space shall be maintained by the Concessionaire in compliance with the Denver Building Code, as amended, and in compliance with the Americans with Disabilities Act, concerning building accessibility for physically challenged citizens.

29. PRIOR AGREEMENTS SUPERSEDED: This Concession Agreement supersedes any and all prior written or oral agreements and there are no covenants, conditions or agreements between the parties except as set forth herein. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written amendment executed and approved pursuant to the Charter and Revised Municipal Code of the City. In the event of any conflict, variance or disagreement, the terms and provisions of this Concession Agreement shall supersede, govern and control those of any addenda, exhibits or attachments.

30. NO DISCRIMINATION: In connection with the performance of work under this Concession Agreement, the Concessionaire agrees not to refuse to hire, nor to discharge, promote or demote, nor to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts hereunder.

31. SUSTAINABILITY: The Concessionaire shall use its best efforts to comply with the Green Retail Practices set out in **Exhibit D**, attached hereto and incorporated herein.

32. VENUE, GOVERNING LAW: This Concession Agreement shall be construed and enforced in accordance with the laws of the State of Colorado, without regard to the choice of law thereof, and the Charter and Revised Municipal Code of the City and County of Denver and the ordinances, regulations, and Executive Orders enacted or promulgated pursuant thereto. The Charter and Revised Municipal Code of the City and County of Denver, as the same maybe amendment from time to time, are hereby expressly incorporated into this Concession Agreement as if fully set out herein by this reference. Venue for any legal action relating to this Concession Agreement shall lie in the District Court in and for the City and County of Denver, Colorado.

33. TOBACCO PRODUCTS AND SMOKING POLICY: There shall be no sale or advertising of tobacco products on the Concession Space or in facilities owned or operated or controlled by the City and County of Denver. "Sale" includes promotional distribution, whether for consideration or not, as well as commercial transactions for consideration. "Advertising" includes the display of commercial and noncommercial promotion of the purchase or use of tobacco products through any medium whatsoever but does not include any advertising and sponsoring which is a part of a performance or show or event displayed or held in City facilities.

The Concessionaire and its officers, agents and employees agree that they will cooperate and comply with the provisions of Executive Order No. 99 prohibiting smoking in all indoor City Buildings and facilities.

34. USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS: The Concessionaire, its officers, agents, and employees shall cooperate and comply with the provisions of Executive Order No. 94 and Attachment A thereto concerning the use, possession or sale of alcohol or drugs. Violation of these provisions or refusal to cooperate with implementation of the policy can result in the City barring the Concessionaire from City facilities or participating in City operations.

35. CONFLICT OF INTEREST: The parties agree that no official, officer, or employee of the City shall have any personal or beneficial interest whatsoever in the services or property described herein and the Concessionaire further agrees not to hire or contract for services any official, officer or employee of the City or any other person which would be in violation of the Denver Revised Municipal Code Chapter 2, Article IV, Code of Ethics, or Denver City Charter provisions 1.28, 1.29, and 1.2.12.

36. PARAGRAPH HEADINGS: The captions and headings set forth herein are for convenience of reference only, and shall not be construed so as to define or limit the terms and provisions hereof.

37. NO THIRD PARTY BENEFICIARIES: It is expressly understood and agreed that enforcement of the terms and conditions of this Concession Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the City, the Concessionaire, and the Master Lessor, and nothing contained in this Concession Agreement shall give or allow any such claim or right of action by any other or third person on such Concession Agreement. It is the express intention of the City and the Concessionaire that any person other than the City, the Master Lessor or the Concessionaire receiving services or benefits under this Concession Agreement shall be deemed to be an incidental beneficiary only.

38. FORCE MAJEURE: Neither party shall be liable to the other, nor shall either party have any right to terminate this Concession Agreement, abate any payments or obligations or assert a claim against the other due to the other party's failure to perform any of its obligations under this Concession Agreement, if the failure is due to reasons beyond the non-performing party's reasonable control, including but not limited to strikes or other labor difficulties, inability to obtain governmental permits or approvals due to delay on the part of a governmental entity, unavailability of materials, war, riot, civil insurrection, accidents, Acts of God, or governmental preemption in connection with a national emergency.

39. NOTICES: All notices required to be given hereunder shall be given by hand delivery or by certified mail, return receipt requested:

To the City: Mayor's Office
City and County Building
1437 Bannock Street, Room 350
Denver, CO 80202

With copies to: Denver City Attorney
Denver City Attorney's Office
1437 Bannock Street, Room 353
Denver, CO 80202

Director of Real Estate
201 West Colfax Avenue, Dept. 1010
Denver, CO 80202

To Concessionaire: Dazbog Denver Bldg. LLC
1090 Yuma Street
Denver, Colorado 80204
Attn: Anatoly Yuffa

Either party hereto may designate in writing from time to time the address of substitute or supplementary persons to receive such notices. The effective date of service of any such notice shall be the date such notice is deposited in the mail or hand-delivered to the party.

40. EXAMINATION OF RECORDS: The Concessionaire agrees that any duly authorized representative of the City, including the City Auditor and any of his designated representatives, until the expiration of three years after final payment under this Concession Agreement, shall have access to and the right to examine any directly pertinent books, documents and records of the Concessionaire and each of its sub-concessionaires and providers of operations services, involving matters directly related to this Concession Agreement.

41. CITY EXECUTION OF AGREEMENT: This Concession Agreement is expressly subject to and shall not be or become effective or binding on the City until it has been approved by the Denver City Council and fully executed by all signatories of the City and County of Denver. This Agreement shall be effective as of the date set forth on the City signature page.

42. EXHIBITS: Any exhibit attached hereto is expressly incorporated herein by this reference.

43. TIME OF THE ESSENCE: Time is of the essence with respect to this Concession Agreement and for each and every provision contained herein.

44. LEGAL AUTHORITY: The Concessionaire assures and covenants that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution

or action passed or taken, to enter into this Concession Agreement. The person or persons signing and executing this Concession Agreement on behalf of the Concessionaire do hereby warrant and covenant that he/she or they have been fully authorized by the Concessionaire to execute this Concession Agreement on behalf of the Concessionaire and to validly and legally bind the Concessionaire to all the terms, performances, and provisions herein set forth.

45. SEVERABILITY: Except for the provisions of this Concession Agreement requiring appropriation of funds and limiting the total amount payable by the City, if a court of competent jurisdiction finds any provision of this Concession Agreement or any portion of it to be invalid, illegal, or unenforceable, the validity of the remaining portions or provisions will not be affected, if the intent of the parties can be fulfilled.

46. LITIGATION COSTS AND ATTORNEYS' FEES: In the event of any litigation or other action between the City and the Concessionaire to enforce any provision of this Concession Agreement or otherwise with respect to the subject matter hereof, each party shall bear all of its own costs and expenses, including attorneys' fees.

47. MASTER LEASE REQUIREMENTS: The parties agree that due to Section 13.2(a) of the Master Lease, this Concession Agreement must be and has been approved by Special Counsel, Becker Stowe Partners LLC, 1600 Broadway, Suite 1600, Denver, Colorado 80202. It is understood that the use of the Property is restricted by the Master Lease, and by all applicable rules, regulations, statutes or ordinances promulgated by any federal, state or municipal agency having jurisdiction over the Property. The parties agree that, the Master Lease permits the terms of this Concession Agreement as written and that Concessionaire shall comply with all IRS regulations and take no action that would jeopardize the tax exempt status of the Certificate of Participation. This Concession Agreement has been approved by Special Counsel, attached hereto as **Exhibit E**. No changes shall be made to the term or payments to be made hereunder without first presenting such amendment to Special Counsel for its approval. The Concessionaire agrees that in its activities and occupancy hereunder it will comply with all of the terms and conditions of the Master Lease as those requirements are stated in this Concession Agreement and that it will take no action, nor omit to act in any manner, which would cause the City to breach or be in default under the Master Lease.

48. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS: Concessionaire consents to the use of electronic signatures by the City. This Concession Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The parties agree not to deny the legal effect or enforceability of this Concession Agreement solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of this Concession Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By _____

By _____

By _____



Contract Control Number: FINAN-201840933-00

Contractor Name: Dazbog Denver Bldg LLC

By:  _____

Name: Antony Yuffa
(please print)

Title: member
(please print)

ATTEST: [if required]

By: _____

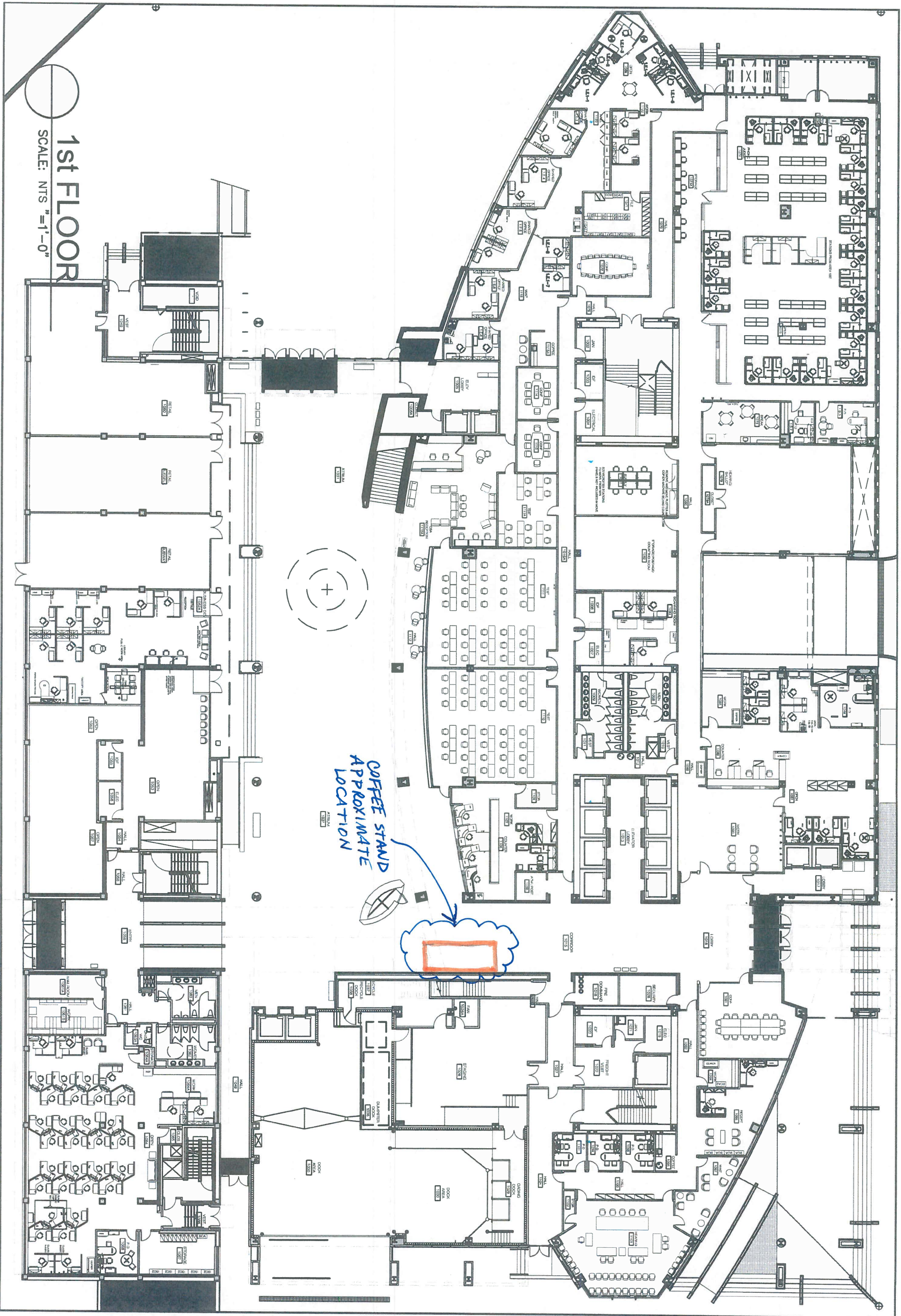
Name: _____
(please print)

Title: _____
(please print)



EXHIBIT A

Concession Space Diagram



1st FLOOR
SCALE: NTS " = 1'-0"

COFFEE STAND
APPROXIMATE
LOCATION

WELLINGTON WEBB MUNICIPAL BUILDING
1st FLOOR
201 WEST COLFAX AVENUE
DENVER, COLORADO

CITY AND COUNTY OF DENVER
DEPARTMENT OF GENERAL SERVICES
FACILITIES PLANNING
AND MANAGEMENT DIVISION
201 West Colfax Avenue, Dept. 904
Denver, Colorado 80202
720-913-8800



JOB#:
ARCHITECT:
DATE: 07.08.08
DRAWN BY: KP
REVIEWED BY: EH
SHEET 1 OF 1
JOB NO. A1

EXHIBIT B
STANDARDS OF OPERATION

Minimum services and operating requirements for the life of the contract are as follows:

1. Service shall be prompt, courteous and efficient. Vendor shall employ at all times sufficient number of personnel necessary to assure prompt service.
2. Operation shall be open at least 7 hours each day, 5 days per week excluding weekends and City holidays. Hours must be during business hours of the building as listed above. The City suggests that these minimum hours be from 7:30 a.m to 2:30 p.m.
3. A full time experienced manager must be appointed to represent and act on behalf of the proposing entity in all matters pertaining to its business operation.
4. Premises shall be kept in clean, neat, businesslike, and orderly condition at all times and the Proposer shall provide for timely disposal of trash and debris.
5. Concessionaire shall be responsible for the conduct, demeanor, and appearance (properly uniformed and/or identified) of its officers, agents, employees, suppliers and representatives.
6. Concessionaire shall provide appropriate signage necessary to operate at the level expected.
7. Concessionaire shall be responsible for providing quality products with reasonable shelf life. It is the responsibility of the Concessionaire to consistently check the expiration date of all items to be sold and ensure the utmost quality. Nothing older than “day old” food should be for sale, and a reasonable discount should be offered for any “day old” product.
8. Concessionaire’s cart or kiosk must be self-contained and must meet Environmental Health requirements.
9. Concessionaire is responsible for cleanup of any spillage during business in a timely manner to prevent any damage to City property and avoid risk of injury.
10. Concessionaire shall be responsible for transporting all trash to City designated refuse chutes, recycling bins, and compaction points in a manner satisfactory to the Director of Real Estate.
11. Delivery of supplies, cash, and coin to the concession premises shall be made at such times, by such routes/modes and at such locations as the City may reasonably approve.
12. Concessionaire will comply with the City’s sustainability efforts, including, but not limited to energy and water conservation, recycling and biodegradable containers.



EXHIBIT C

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/20/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

Table with PRODUCER (SCHOLES INSURANCE GROUP INC) and INSURED (DAZBOG COFFEE COMPANY) information, including contact details and insurer names.

COVERAGES CERTIFICATE NUMBER: 240331845221011 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Main table listing insurance coverages (B, C, A, A) with columns for INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF, POLICY EXP, and LIMITS.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) AS RESPECTS TO GENERAL LIABILITY, THE CITY AND COUNTY OF DENVER, ITS ELECTED AND APPOINTED OFFICIALS, EMPLOYEES AND VOLUNTEERS ARE ADDITIONAL INSURED - XTEND ENDORSEMENT, CG D1 86 - MANAGER OR LESSOR OF PREMISES FOR THE LOCATION AT WELLINGTON WEBB BUILDING 201 WEST COLFAX AVENUE, DENVER CO 80202

CERTIFICATE HOLDER (THE CITY AND COUNTY OF DENVER) and CANCELLATION (SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.)

DAZBOG COFFEE COMPANY, 1090 YUMA LLC, DAZBOG RETAIL HOLDINGS LLC, 1001 E. 11TH AVE LLC, 299 MILCOFFEE LLC, L&A COFFEE LLC, SJ COFFEE LLC, SWP COFFEE LLC, CP COFFEE LLC, 501 W 12TH AVE LLC, DAZBOG COFFEE FRANCHISING LLC, CC COFFEE LLC, DAZBOG EG LLC, DENVER DAZBOG BLDG LLC.



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
04/20/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

| | | | | | | | | | | | | | | | |
|--|---|--------------------------------------|---------------|---|--|------------|--|------------|--|------------|--|------------|--|------------|--|
| PRODUCER SCHOLES INSURANCE GROUP INC 3773 CHERRY CREEK N DR STE 575 DENVER, CO 80209 (888) 661-3938 X2697 882 | CONTACT NAME: PHONE (A/C, No, Ext): (888) 661-3938 FAX (A/C, No): (877) 552-6091 E-MAIL ADDRESS: Service.center@travelers.com PRODUCER CUSTOMER ID: 5455Y2202 <table style="width: 100%;"> <tr> <td style="text-align: center;">INSURER(S) AFFORDING COVERAGE</td> <td style="text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER A: THE CHARTER OAK FIRE INSURANCE COMPANY</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table> | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A: THE CHARTER OAK FIRE INSURANCE COMPANY | | INSURER B: | | INSURER C: | | INSURER D: | | INSURER E: | | INSURER F: | |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | | | | | | | |
| INSURER A: THE CHARTER OAK FIRE INSURANCE COMPANY | | | | | | | | | | | | | | | |
| INSURER B: | | | | | | | | | | | | | | | |
| INSURER C: | | | | | | | | | | | | | | | |
| INSURER D: | | | | | | | | | | | | | | | |
| INSURER E: | | | | | | | | | | | | | | | |
| INSURER F: | | | | | | | | | | | | | | | |
| INSURED DAZBOG COFFEE COMPANY; AND AS PER ATTACHED 1090 YUMA ST DENVER, CO 80204 | | | | | | | | | | | | | | | |

COVERAGES **CERTIFICATE NUMBER:** 240331845221011 **REVISION NUMBER:**

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 WELLINGTON WEBB BUILDING, 201 W COLFAX AVE
 DENVER CO 80202

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YYYY) | POLICY EXPIRATION DATE (MM/DD/YYYY) | COVERED PROPERTY | LIMITS | | |
|---|--|-----------------|------------------------------------|-------------------------------------|-------------------------------------|---------------------|--------------|--|
| A | <input checked="" type="checkbox"/> PROPERTY | 680-2H86319A-18 | 04/07/2018 | 04/07/2019 | | \$ | | |
| | CAUSES OF LOSS DEDUCTIBLES | | | | <input checked="" type="checkbox"/> | BUILDING | \$ 175,000 | |
| | <input type="checkbox"/> BASIC BUILDING | | | | <input checked="" type="checkbox"/> | PERSONAL PROPERTY | \$ 5,150,000 | |
| | <input type="checkbox"/> BROAD CONTENTS | | | | <input checked="" type="checkbox"/> | BUSINESS INCOME | \$ 5,150,000 | |
| | <input checked="" type="checkbox"/> SPECIAL \$2,500 | | | | | EXTRA EXPENSE | \$ | |
| | <input type="checkbox"/> EARTHQUAKE | | | | | RENTAL VALUE | \$ | |
| | <input type="checkbox"/> WIND | | | | | BLANKET BUILDING | \$ | |
| | <input type="checkbox"/> FLOOD | | | | | BLANKET PERS PROP | \$ | |
| | | | | | | BLANKET BLDG & PP | \$ | |
| | | | | | | | \$ | |
| A | <input type="checkbox"/> INLAND MARINE | TYPE OF POLICY | | | | \$ | | |
| | CAUSES OF LOSS | | | | | \$ | | |
| | <input type="checkbox"/> NAMED PERILS | | POLICY NUMBER | | | | \$ | |
| | | | | | | | \$ | |
| A | <input checked="" type="checkbox"/> CRIME | 680-2H86319A-18 | 04/07/2018 | 04/07/2019 | <input checked="" type="checkbox"/> | \$ 25,000 | | |
| | TYPE OF POLICY | | | | <input checked="" type="checkbox"/> | EMPLOYEE DISHONESTY | \$ 25,000 | |
| | | | | | | \$ | | |
| <input type="checkbox"/> BOILER & MACHINERY / EQUIPMENT BREAKDOWN | | | | | | \$ | | |
| | | | | | | \$ | | |
| | | | | | | \$ | | |
| | | | | | | \$ | | |

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

| | |
|--|---|
| CERTIFICATE HOLDER THE CITY AND COUNTY OF DENVER 201 W COLFAX AVE DENVER, CO 80202 | CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Misty Kuckelman</i> |
|--|---|

The Named Insured is:

DAZBOG COFFEE COMPANY; 1090 YUMA LLC;
DAZBOG RETAIL HOLDINGS, LLC;
1001 E. 11TH AVE LLC;
299 MILCOFFEE LLC;
L&A COFFEE LLC;
SJ COFFEE LLC;
SWP COFFEE LLC;
CP COFFEE LLC;
501 W 12TH AVE LLC;
DAZBOG COFFEE FRANCHISING, LLC;
CC COFFEE, LLC
DAZBOG EG LLC
DENVER DAZOG BLDG LLC

EXHIBIT D
GREEN RETAIL PRACTICES

1) General

A) Environmental Purchasing.

- (1) General. The Concessionaire should attempt to purchase and use environmentally preferable products and services where economically and technically feasible and appropriate in operations.
- (2) Disposable Products. The Concessionaire should attempt to purchase and use reusable and recyclable products where economically and technically feasible and appropriate. If disposable products are needed, the most environmentally preferable products that are economically and technically feasible should be selected.
- (3) Polystyrene. The use of polystyrene packaging and products – such as foam polystyrene which is commonly referred to as Styrofoam ®, or “#6 plastics” – is strongly discouraged.
- (4) Specific Environmentally Preferable Products. *The Concessioner should purchase and use the following if economically and technically feasible and appropriate:*
 - Office paper with 30 percent post-consumer content;
 - Toilet tissue with 20 percent post-consumer content;
 - Paper towels and napkins with 40 percent post-consumer content;
 - Facial tissue with 10 percent post-consumer content;
 - Service ware made with recycled content;
 - Environmentally preferable cleaning products;
 - Products in bulk and with minimal packaging.

B) Energy and Water Conservation

- (1) General. The Concessionaire will maximize implementation of energy and water conservation strategies where economically and technically feasible and appropriate for operations and maintenance activities.
- (2) Energy Conservation
 - (a) Lighting. The Concessionaire should replace incandescent lights with energy-conserving lights – such as compact fluorescent lamps – where economically and technically feasible. The Concessioner will install photo sensors and motion sensors for lights where economically and technically feasible.
 - (b) Alternative Energy Sources. The Concessionaire will research and use environmentally preferable alternative energy sources where economically and technically feasible and appropriate.
 - (c) New Equipment. The Concessionaire should purchase only new equipment that is ENERGY STAR® labeled or is designated to be in the upper 25 percent of energy efficiency in its class in accordance with Federal Energy Management Program (FEMP), if economically and technically feasible and appropriate.
- (3) Water Conservation
 - (a) New Equipment. The Concessionaire should purchase only new equipment that helps conserve water resources if economically and technically feasible and appropriate. Toilets will use 1.6 gallons per flush (“gpf”) maximum, urinals will use 1.0 gpf

maximum, showerheads will use 2.2 gallons per minute (“gpm”) maximum, and faucets will use 2.0 gpm maximum.

C) Solid Waste Management

(1) General. The Concessionaire will manage solid waste in accordance with Applicable Laws, which includes without limitation 40 CFR 243 and 36 CFR 6. The Concessionaire will maximize solid waste reduction activities – including but not limited to reuse, recycling, and composting – where economically and technically feasible and appropriate.

(2) Recycling

(a) The Concessionaire should develop and implement a recycling program that has visitors and employees recycling the same materials recycled by City Facilities of the City and County of Denver. These materials currently include white and colored paper, newsprint, corrugated cardboard, bimetals, plastic, aluminum, and glass.

(b) The Concessionaire should provide an adequate number of approved recycling containers that will be conveniently located and able to handle the needs within the Concessionaire’s assigned space area. The recycling containers should indicate what should be deposited in the container.

(c) The Concessionaire should empty all recycling containers promptly when they are full.

(3) Kitchen Grease. The Concessionaire should collect and recycle kitchen grease. The kitchen grease will be collected in containers that are waterproof, vermin-proof, covered with working lids, and well-labeled to indicate what should be deposited in the container. The containers will be kept closed except when being used and provided with other vector controls, as necessary.

2) Food and Beverage Service

A) Operating Standards

(1) Discounts for Reusable Cups/Mugs. The Concessionaire should consider discount beverages for visitors who provide their own reusable cups/mugs.

(2) Bulk Containers or Concentrate. The Concessionaire should purchase items in bulk, items with reduced packaging, or items in concentrate where technically and economically feasible and appropriate.

B) Menu Offerings

(1) Environmentally Preferable Offerings. The Concessionaire should consider offering meals made from locally-produced, organic, and/or free-range ingredients if economically and technically feasible and appropriate.

(2) Environmentally Preferable Beverages. The Concessionaire should consider serving the following organic beverages if economically and technically feasible: tea, hot chocolate, milk, juice, or other beverages. The Concessionaire should also consider serving organic, fair trade, shade grown coffee if economically and technically feasible.

C) Table Settings

(1) Utensils, Paper Products, and Food Containers. The Concessionaire should use best efforts to provide reusable flatware, tableware, glasses, and napkins in place of disposable flatware, tableware, glasses, and napkins, if economically and technically feasible.

(2) Condiments. The Concessioner should use best efforts to provide bulk condiments using refillable containers, including but not limited to ketchup, mustard, mayonnaise, salt, pepper, sugar, jam, and syrup.

D) Take-out

- (1) *Disposable Food Containers, Utensils, and Paper Products.* The Concessionaire should use its best efforts to provide the following if economically and technically feasible and appropriate:
 - (a) Environmentally preferable take-out food containers, such as those that are recyclable, easily biodegradable, or compostable (especially if a composting program exists);
 - (b) Environmentally preferable utensils, such as those that are compostable or minimize packaging; and
 - (c) Paper products made from post-consumer recycled content, including but not limited to napkins and bags.
- (2) *Condiments and Accessories.* The Concessionaire should institute procedures so that the number of condiments and napkins taken by patrons is limited to what is required (e.g., distribute them from behind the counter).

E) Food Waste Management

- (1) *Unused Food.* The Concessionaire should explore and implement opportunities so that unused food is not disposed of as solid waste if economically and technically feasible and appropriate. This includes participating in community charity collections and having local farms feed unused food to animals.
- (2) *Composting.* The Concessionaire will explore and implement opportunities to compost food wastes if economically and technically feasible and appropriate.
- (3) *Liquids Disposal.* The Concessionaire should not dispose of liquids in solid waste containers.
- (4) *Food Oil and Grease Storage and Disposal.* The Concessionaire will ensure that containers storing used food oil and grease are in good condition, covered, closed, weather-proof, vermin- and animal-proof, and provided with secondary containment. The Concessionaire will recycle used food oil and grease via a licensed vendor.

F) Maintenance Programs

- (1) *New Equipment.* The Concessionaire should implement energy and water-efficient technologies and conservation practices for food service appliances and equipment if economically and technically feasible and appropriate. This includes purchasing only new kitchen appliances and equipment that helps conserve water resources and/or is ENERGY STAR[®] labeled or is designated to be in the upper 25 percent of energy efficiency in its class in accordance with Federal Energy Management Program (FEMP).

EXHIBIT E

From: Erick Stowe [mailto:estowe@beckerstowe.com]
Sent: Tuesday, April 24, 2018 9:00 AM
To: Weinstein, Jo A. - CAO MUNI Municipal Ops Legal & Liability <JoAnn.Weinstein@denvergov.org>
Subject: RE: Dazbog Concession Agreement FINAL CLEAN 4-19-18 (2).docx

Jo Ann: I have reviewed the City's Proposed Concession Agreement with Dazbog and find that that Agreement will not have an adverse effect on the tax status of the 2008 Master Lease and we, therefore, approve that Agreement. Erick Stowe



Jo Ann Weinstein | Assistant City Attorney
City Attorney's Office | City and County of Denver
720.913.8403 Phone |
joann.weinstein@denvergov.org