

## **BILL/ RESOLUTION REQUEST**

- 1. Title:** Approves a revenue Concession Agreement with Tugals, LLC d/b/a Bella to operate a Beauty and Personal Care product store in Concourse A (201204948-00).
- 2. Requesting Agency:** DIA
- 3. Contact Person *with actual knowledge of proposed ordinance***
  - Name:**Susan H. Moore
  - Phone:**303-342-2510
  - Email:**susanh.moore@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:**303-619-7353
  - 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**

Tugals, LLC dba Bella is the successful proposer for a Beauty and Personal Care concept for Concourse A Center Core issued via a Request for Proposals, dated August 15, 2011. Proposals were submitted December 15, 2011, and were reviewed internally. Qualified proposers were interviewed by an independent committee of local business leaders and airline representative who then made a recommendation to the Manager of Aviation via the Concessions Business Development office.
  - b. Duration**

5 year term: DOE – 12/31/2017
  - c. Location**

DIA
  - d. Affected Council District**

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  - e. Benefits**

Tugals, LLC dba Bella will bring a beauty and personal care concession concept to Concourse A for the first time. The Bella store will offer to the traveling public a wide range of product brands for skin care, makeup, fragrances and related gifts, including exclusive arrangements with Tugals, LLC for the following brands: L'Oreal Group, Estee Lauder Group, Smashbox, Lollia, Bliss, Nars, Philosophy, Art of Shaving, Jack Black and Ren
  - f. Costs**

Estimated gross sales of \$1,200,00 in year one increasing to \$1,355,484 in year five of the agreement, resulting in an initial MAG of \$122,400 annually. Percentage Compensation is

10% for the first million, 12% \$1M - \$2M, and 14% over \$2M. The proposed Minimum Investment is \$433,310 (\$422 psf x 1,026.7 s.f.)

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

No.

**Bill Request Number: BR12-0278**

**Date: 4/3/2012**