

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a home rule and municipal corporation of the State of Colorado (the “City”), and **IKE SMART CITY, LLC**, a Delaware limited liability company, registered to conduct business in Colorado, whose address is 250 North Hartford Avenue, Columbus, Ohio 43222 (“Lessee”). The City and Lessee shall each be referred to as a “Party” and collectively as the “Parties.”

W I T N E S S E T H:

WHEREAS, the Parties entered into that certain Lease Agreement dated September 26, 2017 and Amendment to Lease Agreement dated February 17, 2022, (collectively, the “Lease”), whereby the City leased to Lessee certain Leased Premises located at the Colorado Convention Center and Denver Performing Arts Complex; and

WHEREAS, original Lessee (OBMSMG, LLC, an Ohio limited liability company) changed its name to IKE SMART CITY, LLC, and changed the jurisdiction under the law of which Lessee is formed to the State of Delaware; and

WHEREAS, the Parties wish to amend the Lease to update the Term paragraph, eliminate entirely the previously contemplated automatic renewals, update paragraph 4-Rent, update paragraph 22-Examination of Records, add paragraph 37-Compliance with Denver Wage Laws, update Exhibit A with regard to sign locations, and update Exhibit B with regard to the scope of work.

NOW THEREFORE, in consideration of the premises and the Parties’ mutual covenants and obligations, the Parties agree as follows:

1. In Section 3 of the Lease entitled “**TERM**”, the first paragraph is amended to read as follows:

“3. **TERM**: The term of this Lease shall begin on **June 18, 2018**, (the “Commencement Date”), and it shall terminate at 11:59:59 p.m. on **April 30, 2033** (the “Term”). The Term of this Agreement shall not automatically renew. The Term may be extended only by the mutual agreement of the parties by a written amendment to this Agreement for up to an additional five years.”

2. All references to Renewal Terms are hereby deleted and the Parties agree that the entirety of the period of the agreement shall be considered the Term as defined herein.

3. In Section 4 of the Lease entitled "RENT:", the third paragraph entitled "Guaranteed Rent Percentages" is amended to read as follows:

"Guaranteed Rent Percentages" means the percentage of Minimum Annual Guaranteed Rent attributable to each Sign. The Parties agree that the Guaranteed Rent Percentages are as follows:

<u>Sign Location</u>	<u>Guaranteed Rent Percentage</u>
14th & Arapahoe	10%
Speer DPAC	45%
Speer CCC	45%

4. Section 22 of the Lease entitled "EXAMINATION OF RECORDS:" is hereby deleted in its entirety and replaced with:

"22. EXAMINATION OF RECORDS AND AUDITS: Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access, and the right to examine, copy and retain copies, at City's election in paper or electronic form, any pertinent books, documents, papers and records related to the Lessee's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. The Lessee shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this paragraph shall require the Lessee to make disclosures in violation of state or federal privacy laws. The Lessee shall at all times comply with D.R.M.C. 20-276."

5. Section 37 of the Lease entitled "COMPLIANCE WITH DENVER WAGE LAWS:" is hereby added to the Agreement as follows:

“37. COMPLIANCE WITH DENVER WAGE LAWS: To the extent applicable to the Lessee’s provision of Services hereunder, the Lessee shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City’s Minimum Wage and Civil Wage Theft Ordinances, Sections 58-1 through 58-26 D.R.M.C., including, but not limited to, the requirement that every covered worker shall be paid all earned wages under applicable state, federal, and city law in accordance with the foregoing D.R.M.C. Sections. By executing this Agreement, the Lessee expressly acknowledges that the Lessee is aware of the requirements of the City’s Minimum Wage and Civil Wage Theft Ordinances and that any failure by the Lessee, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.”

6. Section 38 entitled “**Requirements of the Financings:**” is hereby added to the Lease as follows:

“38. **REQUIREMENTS OF THE FINANCINGS:** The parties agree that due to the Financings of the Premises that this Lease must be and has been approved by Bond Counsel, Kutak Rock LLP, 1801 California Street, Suite 3000, Denver, CO 80202. It is understood that the use of the Premises is restricted by the Bond Ordinances, and by all applicable rules, regulations, statutes or ordinances promulgated by any federal, state or municipal agency having jurisdiction over the Premises. The parties agree that, the Bond Ordinances permit the terms of the Lease as written and that Tenant shall comply with all IRS regulations and take no action that would jeopardize the tax exempt status of the Bonds. This Lease has been approved by Bond Counsel, attached hereto as **Exhibit D**. The Tenant agrees that in its activities and occupancy hereunder it will comply with all of the terms and conditions of the Financings as those requirements are stated in this Lease 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 Financings.”

7. **Exhibit A, Sign Locations** is hereby deleted in its entirety and replaced with **Exhibit A-2, Sign Locations**, attached and incorporated by reference herein. All references in the original Lease to **Exhibit A** are changed to **Exhibit A-2**.

8. All references in the original Lease to **Exhibit B, Scope of Work**, now refer to **Exhibit B-2**. **Exhibit B-2** is attached and incorporated by reference herein. All references in the original Lease to **Exhibit B** are changed to **Exhibit B-2**.

9. As herein amended, the Lease Agreement is affirmed and ratified in each and every particular.

10. This Second Amendment to Lease Agreement will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

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Contract Control Number: THTRS-202578659-02 **Contractor Name:** THTRS-201631374-02
Contractor Name: IKE SMART CITY, LLC

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:

Attorney for the City and County of Denver

By:

REGISTERED AND COUNTERSIGNED:

By:

By:

Contract Control Number:

Contractor Name:

THTRS-202578659-02 THTRS-201631374-02

IKE SMART CITY, LLC

Signed by:
By: 
8F92065943D14B3...

Name: Pete Scantland
(please print)

Title: CEO
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

Exhibit A-2

Sign Locations

Digital Advertising Sign Lease:

Vendor will erect, maintain, and service digital advertising signs ("Sign(s)"), along with associated equipment, furnishings, fixtures and electrical service for the display of commercial, industrial, public service, or charitable advertising ("Advertisement(s)") on the three (3) digital Sign(s) located at the Colorado Convention Center (CCC) and Denver Performing Arts Complex (DPAC) outlined below.

Sign Locations:

1. 14th & Arapahoe/DPAC
2. Speer & Arapahoe/DPAC
3. Speer & California/CCC

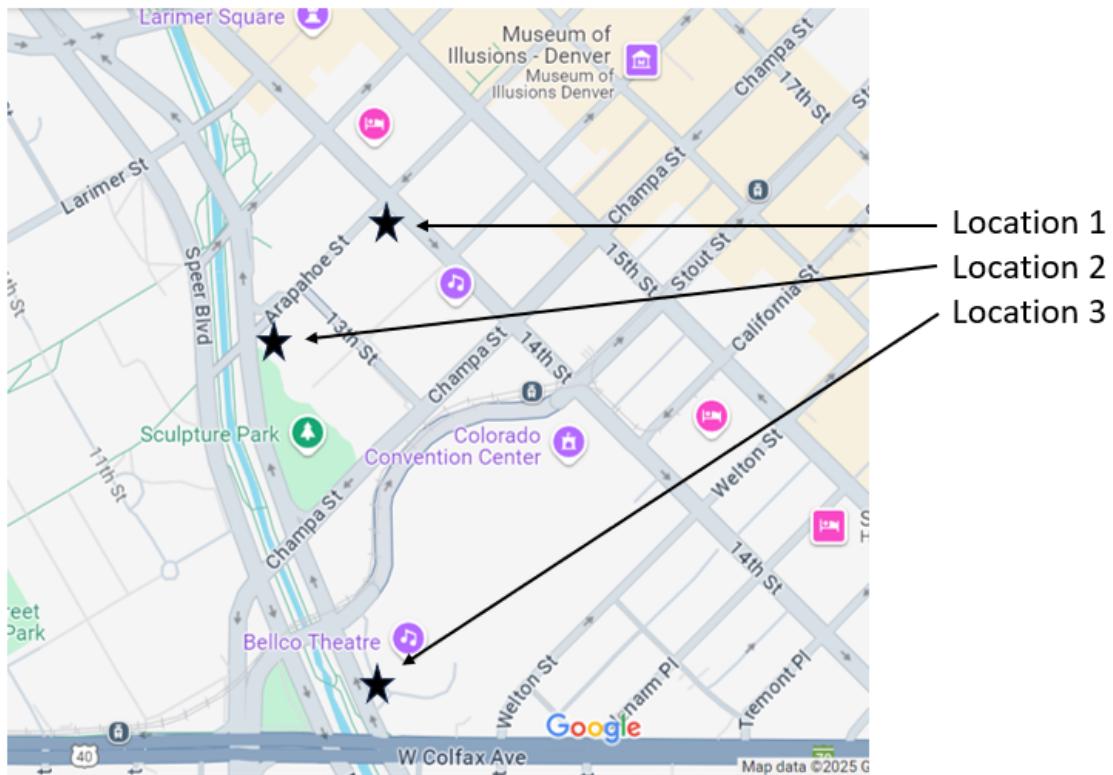


Exhibit B-2

Scope of Work

In the event of a conflict between the terms of the Lease and this Exhibit B, the terms of the Lease shall govern and control.

Digital Advertising Sign Lease:

Lessee will erect, maintain, and service digital advertising signs (“Sign(s)”), along with associated equipment, furnishings, fixtures and electrical service for the display of commercial, industrial, public service, or charitable advertising (“Advertisement(s)”) on the Sign(s).

Sign Locations: The following three (3) Signs.

1. 14th & Arapahoe
2. Speer DPAC
3. Speer CCC

Digital Advertising Sales:

Lessee shall be the exclusive representative with respect to providing the advertising sales services for DAV and the City. Lessee shall solicit non-City parties (the “Advertisers”) to promote their brand, products, services, events, or the like on the digital signs and Colorado Convention Center kiosks.

Notwithstanding the foregoing. City may cause Lessee to display content for its Sponsors, as that term is defined herein, during City’s allocated time on the Lease Premises as set forth in Section 5(g) of the Lease, but shall be prevented from selling such time independently of a larger sponsorship package containing other assets controlled by City. As used herein, the term “Sponsors” shall mean any groups or organizations sponsoring activities taking place at the Denver Performing Arts Complex or the Colorado Convention Center. For any such Sponsor, the value of any advertisement time received from the City cannot exceed more than 50% of the total remuneration or donation that the City is receiving from such Sponsor, with the value of the advertisement being based on the prices then in effect for such advertisement time as established by Lessee. City shall be prevented from offering category exclusivity with respect to any brands, products,

services or events to any of its Sponsors on the Leased Premises. The City's designated tourism partner may, at times, request kiosk and Colorado Convention Center signage inventory on an as available basis, which shall be counted towards the City's allotted time as set forth in the Lease.

With respect to all advertising sold by Lessee, Lessee shall also be responsible for providing the following support services:

1. Providing support to the Advertisers, including handling all inquiries from the Advertisers of any type or nature;
2. Preparing and submitting to DAV on an annual basis, a detailed sales plan and strategy which shall include revenue goals, performance requirements, and other items as reasonably requested by DAV. Such sales plan shall be subject to DAV approval, which shall not be unreasonably withheld, conditioned or delayed;
3. Preparing proof-of-run affidavits (POP reports) and visual/photographic documentation of advertising as reasonably required by DAV or the Advertisers;
4. Producing all artwork including electronic and static installation and submitting such artwork to DAV at such time and in such manner that allows for timely installation and display on the subject signage. Artwork and content shall comply with any technical and creative guidelines provided to Lessee by the City or its Sponsors;
5. Conducting billing reconciliations.

Prices to be charged to the Advertisers shall comply with the pricing rates set or otherwise approved in writing by DAV, which approval shall not be unreasonably withheld, conditioned or delayed.

Content Standards:

Lessee agrees that it will not display any item, photograph, representation, depiction, text, or other visual display of any nature that is inconsistent with the general standard of decency in the Denver community ("Decency Standard") or otherwise violates the terms of the Lease.

Screen Replacement:

Lessee agrees to replace the LED screen, or the components thereof, on each Sign at such times necessary to keep the Signs in good condition and good working order throughout the Term. Replacements shall include advances in LED technology such as an increase in pitch, matrix, viewing area or module size and improved scheduling software and operating systems that house scheduling software and digital advertising files, if necessary. Lessee shall also be responsible for maintenance of the hardware and software scheduling system and providing all security and software updates as needed. Lessee will not be responsible or liable for communication failure caused by City IT or Internet connectivity issues. If, after written notice from DAV specifying in reasonable detail the manner in which a Sign fails to comply with the standards set forth above, Lessee fails to cure such material noncompliance within thirty (30) days after receipt of such notice (or, if such noncompliance cannot reasonably be cured within such thirty (30) days, if Lessee fails to commence to cure the noncompliance within such period and thereafter diligently pursues such cure to completion), then DAV shall have the right to terminate this Lease upon written notice to Lessee.

DAV Allocation:

The City and DAV shall together receive a minimum of twenty percent (20%) of the time on the Leased Premises to advertise and promote events in the City, or run and/or sponsored by DAV, or other public or charity announcements as the City or DAV may reasonably choose and Lessee shall in good faith reasonably assist City and DAV in producing their content. The City and DAV shall be responsible for allocating the aforementioned twenty percent (20%) between them at their discretion.

EXHIBIT D

(exhibit follows)



Kutak Rock LLP
2001 16th Street, Suite 1800, Denver, CO 80202
office 303.297.2400

October 11, 2025

City and County of Denver
c/o Denver City Attorney's Office
1437 Bannock, Room 353
Denver, Colorado 80202

Re: Private Business Use Review and Analysis: Second Amendment to Lease
Agreement between the City and County of Denver and IKE Smart City, LLC

Ladies and Gentlemen:

We have been advised that the City and County of Denver (the "City") intends to enter into a Second Amendment to Lease Agreement (the "Second Amendment") with IKE Smart City, LLC (the "Lessee"). The Second Amendment amends the Lease Agreement, dated September 26, 2017, as amended by the Amendment to Lease Agreement, dated February 17, 2022 (together, the "Lease"), between the City and the Lessee. Pursuant to the Lease, as proposed to be amended by the Second Amendment, the Lessee is permitted to operate certain signage and perform certain sponsorship and activation activities (collectively, the "Uses") within the City's B-5-T zoning district commonly known as the Downtown Theatre District, including at the following facilities (the "Facilities"): Colorado Convention Center ("CCC"); and Denver Performing Arts Complex ("DPAC"). The Facilities are referred to in the Lease as the "Leased Premises." As consideration for the Uses, the Lessee is to make rental payments (the "Rental Payments") based on a percentage of gross sales achieved with respect to the Uses, as more fully described in the Lease, as proposed to be amended by the Second Amendment. The City has indicated that certain or all of the Facilities have been financed or refinanced in whole or in part with tax-exempt bond or lease obligations ("Obligations"). The City has requested that we review the Lease and the Second Amendment to determine whether private business use generated by such agreements will cause the private business use limitations applicable to the Obligations imposed by Section 141 of the Internal Revenue Code of 1986 (the "Code") to be exceeded.

For the purpose of our review, the City has provided to us (1) on October 10, 2025, a draft copy of the Second Amendment (the "Draft Amendment") and an executed copy of the Lease, (2) on October 10, 2025, an allocation of the Rental Payments between Uses relating to the CCC and Uses relating to the DPAC, and (3) on February 28, 2023, a schedule of insured values of City properties including the Facilities (the "Schedule of Insured Values").

The legal analysis contained in this letter assumes that the terms of the Lease were, and the terms of the Second Amendment are, negotiated through an arm's-length bargaining process, that the documents referenced in the preceding paragraph accurately reflect, as applicable, the Facilities, the Uses and the insured values of the Facilities, and that there will be no private business uses of any of the Facilities other than to the extent identified to us during the term of our engagement, which commenced January 1, 2020. We have not conducted any independent

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City and County of Denver
c/o Denver City Attorney's Office
October 11, 2025
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diligence and have not taken any steps to verify (i) the accuracy of the documents referenced in the preceding paragraph, (ii) that there are no other private business uses of the Facilities and (iii) the validity and enforceability of the Lease or the Second Amendment. We have reviewed the Draft Amendment and assume for the purpose of this letter that the execution version of the Second Amendment will not differ from the Draft Amendment.

The legal analysis contained in this letter further assumes that, (i) on a regular basis (at least once each year) the City is tracking revenues received by or for the benefit of the City (or any related party to the City) with respect to all uses of the Facilities, and (ii) with respect to each Facility and each issue of Obligations for such Facility, such revenues (on a present valuation basis) do not exceed five percent of the original issue price of such issue of Obligations.

The Internal Revenue Service has recognized in Private Letter Ruling 200323006 that an appropriate methodology for measuring private business use, when such use occurs simultaneously with governmental use, is to compare the fair market value of the contract resulting in private business use to the fair market value of the tax-exempt financed facility. Accordingly, applying this methodology to calculate the private business uses expected to be generated by the Lease, as proposed to be amended by the Second Amendment (using insured values as estimates of fair market values), the Uses, in and of themselves, of the Facilities by the Lessee under the Lease will not cause the City to exceed the private activity bonds limitations applicable to the Obligations under Section 141 of the Code and therefore will not adversely affect the exclusion from gross income for federal income tax purposes of any interest on the Obligations.

The scope of our engagement has not extended beyond the review of the Lease and the Draft Agreement, the Schedule of Insured Values and certain private business use calculations we have prepared for our file. The conclusions expressed herein are based on existing laws on the date hereof, and we express no opinion as of any subsequent date or with respect to any pending or future proposed or final Treasury Regulations and legislation. The conclusions expressed herein are based on the stated initial terms of the Lease, as proposed to be amended by the Second Amendment, and do not extend to any automatic extensions, renewal periods, amendments or continuations of the terms of the Lease, as proposed to be amended by the Second Amendment. Lastly, this letter has been prepared solely for your use and may not be relied on by any other person without our prior written consent.

Very truly yours,


Kutak Rock LLP

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