

## **EXECUTIVE SUMMARY – Swire Pacific Holdings, Inc.**

### **Background:**

In 2017 Denver Arts & Venues (DAV) issued an RFP for a non-alcoholic beverage sponsor at City Venues (Red Rocks, Denver Performing Arts Complex, Denver Coliseum, Colorado Convention Center). Swire Pacific Holdings was awarded a five-year contract THTRS- 201735492, from 7/1/2017 – 6/30/2022. Due to the ongoing COVID-19 pandemic, both DAV and the Contractor seek to modify the 2020 payment amount, and to extend the contract by one year to reflect mass gathering limitations that affected Sponsor benefits during 2020.

Pursuant to the contract, the Sponsor is entitled to certain rights and benefits at City Venues including, but not limited to, signage, an on-site presence, branded social media promotion and digital advertising. In return the Sponsor pays DAV fees in each of the contract years with the revised amount totaling \$1,775,000.

### **Current Request:**

Denver Arts & Venues is looking to amend the sponsorship contract with Swire Pacific Holdings to reflect current circumstances related to the COVID-19 pandemic.

- For much of 2020, performance venues have been closed and/or nearly vacant to ensure safety of patrons and staff pursuant to public health orders and social distancing mandates.
- Due to these restrictions the 2020 sponsorship has been prorated to a \$55,000 payment.
- The intended 2020 sponsorship payment will be made in the final year of the contract.
- The viability of both the Sponsor's and DAV's performance of the contract depends upon ticket sales for events occurring at City Venues that are close to or at full capacity.
- The amendment does not result in additional costs for the City.
- It is uncertain on what date performance venues in Denver will be able to resume normal activity levels.
- The ability to resume normal levels of activity City Venues rests on factors outside of the City's or Contractor's control.
- In consideration of the 2020 concert season, the amendment seeks to extend the contract by one year.
- The increase in the contract reflects the sponsorship fee paid in 2020, which was prorated to reflect the number of events that were actually held in 2020.