

## **EXECUTIVE SUMMARY – Bellco Credit Union**

### **Background:**

In 2017 Denver Arts & Venues (DAV) issued an RFP for a naming rights and consumer and commercial banking sponsor at Colorado Convention Center Lecture Hall. Bellco Credit Union (Bellco) was awarded a ten-year contract THTRS- 201839921, from 1/1/2018 – 12/31/2027. The lecture hall is currently branded as the Bellco Theater.

Due to the ongoing COVID-19 pandemic, both DAV and the Contractor seek to adjust the contract to reflect mass gathering limitations that affected Sponsor benefits during 2020 and 2021.

Pursuant to the contract, the Sponsor is entitled to certain rights and benefits at the Colorado Convention Center Lecture Hall including, but not limited to, signage, an on-site presence, branded social media promotion, inclusion in marketing materials, hospitality and digital advertising. In return the Sponsor pays DAV fees in each of the contract years totaling \$2,825,000.

### **Current Request:**

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

- For much of 2020 and the beginning of 2021, 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. Indoor venues will be negatively impacted for the foreseeable future.
- Bellco will maintain the original schedule of payments as outlined in the original contract.
- In consideration of the adverse effects the Covid-19 pandemic has had on the sponsors' 2020-2022 event seasons, DAV will provide an additional two years of naming rights – lasting through 12/31/2029 – without charge in 2028 and 2029.
- Bellco paid the entire 2020 sponsorship fee in 2020.
- Bellco has paid the first 2021 installment of the 2021 sponsorship fee and intends to pay the remaining installments.
- Because Bellco paid the entire 2020 sponsorship fee and intends to pay the entire 2021 sponsorship fee, Bellco and DAV have mutually agreed that the best resolution is to extend the sponsorship agreement for two years with no additional sponsorship fee requirements rather than negotiate a refund and/or proration of fees.
- The viability of both the Sponsor's and DAV's performance of the contract depends upon ticket sales for events occurring at the Colorado Convention Center Lecture Hall 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 at the Colorado Convention Center Lecture Hall rests on factors outside of the City's or Contractor's control.

