



Legislation Text

File #: 17-0687, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 06-13-17

Requesting Agency: Parks and Recreation
Division:

- **Name:** Laura Morales/Fred Weiss
- **Phone:** 720-913-0633/720-913-0735
- **Email:** laura.morales@denvergov.org/fred.weiss@denvergov.org

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Multi-Year Festival Lease Agreement between the City and County of Denver and Denver Festivals LLC for the use of Overland Golf Course for a multi-day, multi-stage musical festival.

Approves a lease agreement with Denver Festivals, LLC, for five years at an annual rate of \$200,000 with additional monetary and non-monetary considerations to produce an annual three-day music festival at Overland Golf Course in Council District 7 (201735508). The last regularly scheduled Council meeting within the 30-day review period is on 8-14-17. The Committee approved filing this resolution at its meeting on 6-20-17. Pursuant to Council Rule 3.7, Councilman Clark called out this resolution at the Monday, July 24, 2017, Council meeting for a postponement to the next regularly scheduled meeting of Monday, July 31, 2017.

Affected Council District(s) or citywide? Council District 7

Contract Control Number: 201735508

Vendor/Contractor Name (including any "DBA"): Denver Festivals, LLC.

Type and Scope of services to be performed:

Denver Parks and Recreation is requesting this contract to approve a five-year agreement with Denver Festivals, LLC. to produce a three-day music festival at Overland Golf Course in the Fall of each year. The golf course will be closed for approximately five weeks per year, with a five-year lease. The agreement includes funds to replace lost income to Denver Golf, funds for golf infrastructure improvements at Denver Golf, a 10% seat tax, landscaping funds to Overland Golf Course, funds to support a golfer discount program for displaced golfers, a city credit for annual city services and staff needed, an insurance policy and payment bond, as well as a Community Works Fund administered by a non-profit third party. The agreement will require that Denver Festivals, LLC submit detailed plans that will address many neighborhood concerns, (examples include: a traffic/parking plan, a trash plan, and a security plan). Responsibilities, requirements, restrictions are defined.

Benefits: Revenue to the Golf Enterprise fund received through an annual \$200,000 to Denver Golf for lost income, as well as \$2 per ticket to Denver Golf for infrastructure improvements (which could range from \$180,000- \$420,000 depending on attendance per day). Revenue to the General Fund consists of a 10% seat tax, with approximately \$1million -\$2million (depending on attendance and ticket price). Additional payments will fund landscaping costs at Overland Golf Course, and the cost of additional city services/staff for the event. Support for local musicians, artists, non-profits and the business community will also occur through programming and booking, as well as a Denver Festival Community Works Fund, managed by a non-profit third party to support community based improvement projects, funded by \$1 per ticket (approximately \$100,000-\$200,000 each year). Additional economic impact will occur from out-of-town guests and tourism; job creation; and a new signature event branding Denver on a national scale. An additional annual golfer discount payment to Denver Golf will fund a program for any displaced Overland golfers during the five weeks of closure each year.

Location (if applicable): 1801 S Huron St, Denver, CO 80223

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment? New

Was this contractor selected by competitive process or sole source?

For New contracts

Term of initial contract: Five years

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term: \$200,000 annual base

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)