



Legislation Text

File #: 17-0687, Version: 1

**Contract Request Template (Contracts; IGAs; Leases)**

**Date Submitted:** 06-13-17

**Requesting Agency:** Parks and Recreation  
**Division:**

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**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.)**