

Concession Business Opportunities

Presented by the DIA Commercial Team

November 2012

Concession Program

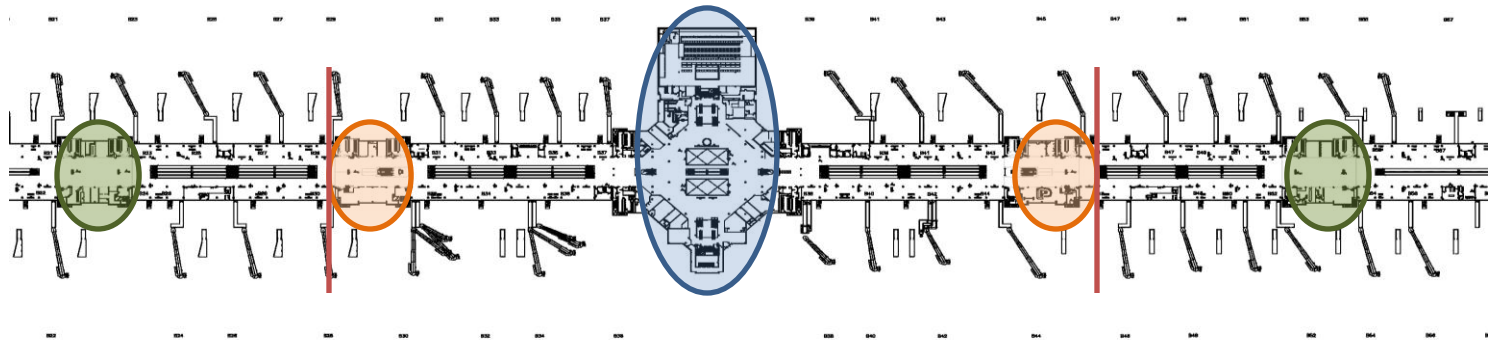
- 170,000 square feet/ 147 locations, 2900+ employees
- Gross Concession revenues of \$270M
- Food & Beverage generated
 - \$169 million in gross sales
 - \$1,602/square foot
- Specialty Retail generated
 - \$72 million in gross sales
 - \$1,240/square foot
- Services
 - \$28 million in gross sales

Leasing Approach

- Direct Leasing
- 7 and 10 year terms
- Non-exclusive rights
- Minimum annual guarantee (MAG)
- Bid percentage
- 10% street pricing policy
- 16-18 hours/day operation
- 3 day parts
- ACDBE Goals

Concessions Minimum Requirements

- Years of experience
- Minimum gross revenues required
- Financial capacity
- ACDBE goal



Concessions Program Opportunities

- Next 3 Years
 - 70% of program expiring
 - Request for Proposals
 - Potential for 2 to 3 each month
- Approximately 100 concepts will be transformed
- >\$80MM in additional annual gross revenue
- \$20MM annual construction value

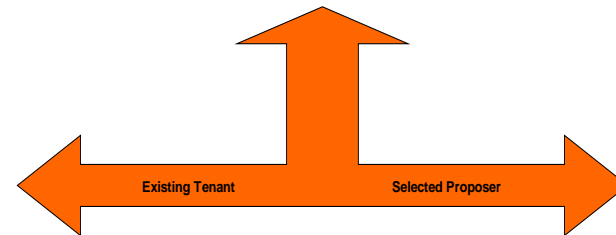
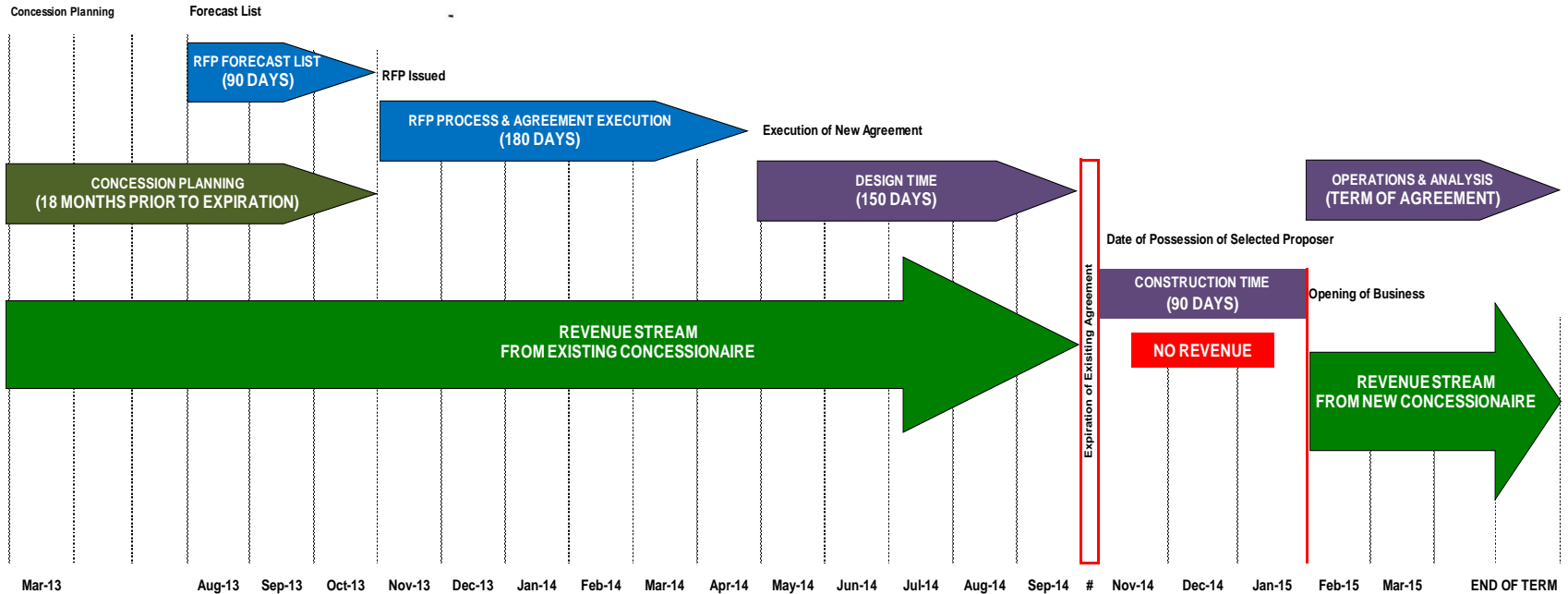


ELWAYS'S
DOWNTOWN

root
down



RFP Timeline



Construction Opportunities

- Initial capital investment typically \$500K to \$2.5M
- Mid-term Refurbishments
- Networking with concessionaires
 - Pre-Proposal Meetings
 - Planholders List (website)



Construction Facts

- Hours of operation - Noise (9p to 6a)
- Prevailing wage ordinance
- M/WBE participation
- Contractor Payment and Performance Bonds
- General liability insurance
 - \$1 MM/occurrence, \$2 MM/aggregate, \$10 MM auto if driving onto airfield
- Parking may not be near project
- System shutdown request for base systems

Communication Links

- FlyDenver Concession Website
 - Maps
 - Concession Revenues
 - Passenger Demographics/Stats
- Messages to Staff
 - E-mail links on website
- One-on-One Outreach Sessions
 - February, May, September, or by appointment

The screenshot displays the Denver International Airport Business Center website. The page is titled "Concessions — Business Opportunities" and features a navigation menu with links for Business Opportunities, Financials & Statistics, Community Matters, and DIA Information. The main content area includes a section for the "Concessions Development Program" with a video thumbnail and a description of the selection process. Below this, there are several links: "View current concession opportunities and resource materials," "Register to be notified of future concession opportunities," "Send inquiries to Concessions Development staff," and "Frequently Asked Questions." A "COMING SOON!" section lists upcoming concession opportunities: Bella (Concourse A), Cru-A Wine Bar (Concourse B), Elway's (Concourse B), and Root Down (Concourse C). On the right side, there is a "Concessions 101" video player with the title "Destination: Sales!" and an "OUTREACH (Adobe PDF)" section listing various presentations and reports, including "Premium Value Concession Program Presentations," "Appeals," "Financial Scoping," "Phase 1 Customer Service Reporting Guidelines," "DIA PIVC Customer Service," "Frequently Asked Questions," "Concessions Program 2012 2nd Quarter Results | Sept 20, 2012," "Merchandise Guidance Presentation | November 15, 2011," "Concessions Outreach | May 30, 2012" (with a "Sign-in Sheet" link), and "Concessions Program Checklist".

http://business.flydenver.com/bizops/concessions.asp

Registration Page →

← Forecast List

Opportunities Page →

← Research Material

Future Opportunities — Projected Competitive Contracts

Denver International Airport is committed to a strong partnership with our business community and to ensuring local businesses have viable opportunities in building DIA's future. The City and County of Denver and DIA are dedicated to increasing Minority/Women Business Enterprise (MWBE), Disadvantaged Business Enterprise (DBE), and Small Business Enterprise (SBE) participation in all DIA projects. DIA procurement procedures are designed to be fair, transparent, and allow competition to thrive.

Below is a preview of upcoming business opportunities at DIA in advance of their advertisement. The City and County of Denver will assign MWBE/DBE goals and other requirements to each contract when advertised. Visit the Office of Economic Development's [Business with the City](#) Web site to learn how to initiate a partnership with DIA and the City & County of Denver on future projects. This information will be updated regularly. DIA reserves the right to cancel or alter project information at anytime.

PROJECT	DESCRIPTION	ANTICIPATED ADVERTISEMENT DATE	BID PROJ. VALUE	EST. DATE POSTED
Airport Passenger Lounge (Location TBD)	DIA will be seeking a company to develop, operate and manage an airport lounge offering members and one-day pass customers access to, but not limited to, comfortable seating, snacks, refreshments, internet and WiFi access, TV programming services, newspapers and magazines.	January 2013	TBD	October 9, 2012
Food and Beverage Healthy Salads, Wraps and Grilled Sandwich (Concourse B)	DIA is seeking a company to develop, design, operate and manage a concession on Concourse B featuring healthy, gourmet, farm-fresh salads, soups, wraps and grilled sandwiches made from whole ingredients. Wraps and sandwiches are not to exceed 25% of the menu offerings.	January 2013	TBD	August 20, 2012

Concessions — Business Opportunities

Concession companies at Denver International Airport are selected through a competitive proposal process. When the airport has concession space available to lease, the Concessions Management Section issues a Request for Proposals (RFP) document that describes the space's available, concepts desired, City of Denver requirements for operating at the airport, as well as required submittal documents.

View current concession opportunities and resource materials.

Register to be notified of future concession opportunities.

Send inquiries to Concessions Development staff.

Frequency Asked Questions

COMING SOON
The Airport's Concessions Development team is always seeking new concessions to add to our already diverse vendor community. Below is a list of concessions that are expected to open in the winter of 2012/2013.

- Bella (Concourse A)
- Chia Wine Bar (Concourse B)
- Elly's (Concourse B)

Resources Materials

AIRPORT GUIDELINES & POLICIES

- Airport Rules & Regulations
- Airport Security Information
- DIA Concession Policy (Adobe PDF)
- Denver Municipal Code
 - Chapter 2, Article IV: Code of Ethics (§ 2-51 to 2-59)
 - Chapter 2, Article V: Financial Disclosure (§ 2-70 to 2-74)
 - Chapter 15, Article III: Campaign Finances (§ 15-31 to 15-32)
 - Chapter 20, Article IV: Political Contributions (§ 20-69)
- Merchandise Guidelines
- Tenant Development Guidelines
 - Volumes 1 and 2 - Design Policies and Standards (Adobe PDF)
 - Volume 3 - Signs of Place (Adobe PDF)
 - Commercial Land Use Development Guidelines (Adobe PDF)

REQUIRED FORMS FOR RFPs

- Required Form 1 - 1 (revised August 2012, MS Word)
- Includes the following forms:
 - Proposal Submission Checklist
 - Proposer Questionnaire
 - ACD&E Participation and Commitment Form
 - Proposal Form
 - Proposer Disclosure
 - Brand Portfolio Affidavit
 - Sample Letter of Credit
 - Evidence of Licensing or Franchising
 - Addenda Acknowledgment
 - Proposal Documents
- Personal Financial Statement (MS Word)
- Economic Proformas (MS Excel)
 - CONCOURSE_A (revised August 2012)
 - CONCOURSE_B (revised August 2012)
 - CONCOURSE_C (revised August 2012)
 - Terminal (revised August 2012)

AGREEMENT SAMPLE DOCUMENTS

- Sample Food and Beverage Agreement (Adobe PDF)
- Sample Retail Agreement (Adobe PDF)
- Sample Deposit of Funds (MS Word)
- Sample Irrevocable Letter of Credit (Adobe PDF)
- Sample Performance Bond (Adobe PDF)

CONSTRUCTION SAMPLE DOCUMENTS

- Contractor Payment Bond (Adobe PDF)
- Contractor Performance Bond (Adobe PDF)
- Tenant Payment Bond (Adobe PDF)

PREVAILING WAGE REQUIREMENTS

- Tenant Finish Projects (Adobe PDF)
- Prevailing Wages Certified Payroll Overview (Adobe PDF)
- File WFL Form (Adobe PDF)
- Prevailing Wage Determinations (Denvergov.org Web site)

Concession Opportunities — Concessions

PROJECT SUMMARY AND DOCUMENT	CHANGES TO PROJECT DOCUMENTS	INCIDENTAL DOCUMENTS
<ul style="list-style-type: none"> Summary: Food and Beverage Snacks-Open to Proposals (Concourse A) 2012-2013 Document: [Download] Mandatory Pre-proposal Conference Friday, September 07, 2012, 9:00:00 AM Get Request Form Proposals Due Wednesday, December 05, 2012, 2:00:00 PM 	<ul style="list-style-type: none"> Addenda 9/20/2012 [Download] Addenda 10/3/2012 [Download] 	<ul style="list-style-type: none"> Planholders List [Download] Questions and Answers [Download] Drawings 8/17/2012 [Download] Insurance Certificate [Download] Drawings 8/20/12 [Download] Pre-Proposal Conference Attendance 9/7/2012 [Download]
<ul style="list-style-type: none"> Summary: Food and Beverage Snacks-Open to Proposals (Concourse B) 2012-2013 Document: [Download] Mandatory Pre-proposal Conference Friday, September 07, 2012, 9:00:00 AM Get Request Form Proposals Due Wednesday, December 05, 2012, 2:00:00 PM 	<ul style="list-style-type: none"> Addenda 9/20/2012 [Download] Addenda 10/3/2012 [Download] 	<ul style="list-style-type: none"> Planholders List [Download] Questions and Answers [Download] Drawings 8/17/2012 [Download] Drawings 8/23/2012 [Download] Pre-Proposal Conference Attendance 9/7/2012 [Download]

Today's Panel

Moderator – Ruth Rodriguez, DIA Commerce Hub

- Neil Maxfield, Commercial Business Development
- Lisa Torres, Revenue Procurement
- Vicki Padilla, DSBO
- Carlos Ramos, DIA Commerce Hub
- Leonard Crayton, Concessions International

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