

Denver International Airport

2021 Policy on Concessionaires Impacted by COVID-19 Crisis

Background

The worldwide COVID-19 pandemic has caused significant disruptions to air travel and precipitous drops in airport concession sales. Concessionaires at Denver International Airport (the “Airport”), including many small and local businesses, are seeking emergency relief during this crisis to avoid steep financial losses and potential bankruptcies. To help support these businesses and their workforces, and to ensure that essential goods and services remain available to passengers and employees at the Airport, the City and County of Denver’s Department of Aviation (the “City”) will provide temporary relief to concessionaires in accordance with this Policy.

Policy

I. *Application and Scope*

This Policy applies to all concessionaires that operate pursuant to concession agreements within the Airport concourses and the Jeppesen Terminal, with the exception of rental car services. The terms and conditions herein will automatically expire on December 31, 2021. This Policy may be rescinded or amended by the Airport’s Chief Executive Officer at any time.

II. *Authorized Relief*

- A. For each month of the period ending on December 31, 2021, each concessionaire shall remit to the City an amount equal to its gross monthly receipts multiplied by the Percentage Fee percentage defined in its individual concession agreement, and need not pay the monthly minimum amount based on the Minimum Annual Guarantee or any equivalent requirement.
- B. The payment of contractual Joint Marketing Fees is suspended for each month of the period ending on December 31, 2021.
- C. Construction relating to contractual midterm refurbishments is suspended until December 31, 2021 or upon earlier written notice, at which time each affected concessionaire shall promptly contact appropriate Airport personnel to set new construction deadlines subject to the City’s requirements. This temporary construction suspension is strictly limited to contractual midterm refurbishments. Notwithstanding the foregoing, any concessionaire that began construction work for midterm refurbishments may either continue such work until completion or temporarily pause the construction in accordance with this Policy and Airport guidelines.

III. *Conditions and Requirements for Relief*

- A. Each concessionaire that suspended service to the traveling public due to COVID-19 shall re-open for business by February 1, 2021. Standard operating hours and staffing levels may be adjusted with the City’s written approval. Any concessionaire that will not resume operations by February

Effective January 1, 2021

- 1, 2021 shall immediately notify the City and schedule a meeting to discuss pertinent challenges and the concessionaire's future at the Airport. Any concessionaire that is unable to maintain its business may request an early exit pursuant to a voluntary, mutual termination of its concession agreement without penalty.
- B. Each concessionaire acknowledges and agrees that the ongoing suspension of the Premium Value Concession Program will continue through December 31, 2021. For the months of March 2020 through December 2021, no points will be assessed or used to calculate any concession's final averaged score and ranking at the end of its scoring period, which will be adjusted in the City's discretion.
 - C. As concession closures and operation reductions at the Airport have affected many workers and their families, concessionaires will be expected to make good faith efforts to support the wellbeing of their current and prior employees and shall give laid off and furloughed personnel a right of first refusal for any open employment positions for which they are qualified.
 - D. Each concessionaire shall follow recommended hygiene practices; provide COVID-19 best practices training to employees; and comply with all applicable health and safety orders, rules, and directives issued by the City or any other state or local government agency. In addition to all other requirements, each concessionaire must issue sufficient personal protective equipment and require all employees to view and follow the Airport's forthcoming COVID-19 training video and any related materials. Each concessionaire shall also implement a system for employees to self-check and report temperatures and symptoms before arriving at work.
 - E. Without limiting the Chief Executive Officer's authority to revoke or change this Policy for any reason, the City may revisit and amend its terms before the December 31, 2021 expiration date if monthly passenger traffic volume reaches 75% of 2019 levels for three consecutive months.
 - F. No extensions of any concession agreements will be considered or granted to offset decreases in revenues relating to the COVID-19 pandemic.
 - G. All other terms and conditions of individual concession agreements not expressly addressed by this Policy will remain in full force and effect.

Executed on November 20, 2020



Kim Day, Chief Executive Officer
Denver International Airport