

## DENVER INTERNATIONAL AIRPORT CONCESSIONS PROGRAM FREQUENTLY ASKED QUESTIONS

### How do I find out more about DIA's Concession Program?

We ask that all interested proposers register on our database to be kept informed of opportunities at Denver International Airport.

The following link will take you to our Concession Website Page <http://business.flydenver.com/bizops/concessions.asp>. On this page you can do the following:

- Register to receive email communications from Concessions Management about opportunities, learn about outreach sessions, and general information sent out to database participants.
- View current concession opportunities and send the Concession Staff emails.
- Under 'Outreach' you will find a Concession Program Checklist, which is a checklist of next steps for interested proposers and the 2008 Concessions Program Statistics.
- Under 'Our Concessionaires' there is a Concession Location Map with current concessionaires, square footage and expiration dates.

The following link will take you to the Concession Opportunities page <http://business.flydenver.com/bizops/proprfp.asp> which lists any current opportunities as well as the following:

- Airport Guidelines and Policies
  - Airport Security Guide
- Resource Documents contains a link to the following information:
  - Traveler Focus Groups and Traveler Intercept Study contain recent demographic information about DIA.
  - Concessionaire Gross Revenues
  - Passenger Statistics
- Agreement Sample Documents
  - This is a sample agreement for you and your attorney to review.

### What is a Request for Proposal or RFP?

A RFP is a competitive process in which interested proposers submit proposals for evaluation and possible selection.

### When are opportunities released?

Opportunities are released one year prior to the expiration of a concession agreement.

### How long is the RFP process?

Usually one year from the time the RFP is issued and the Selected Proposer opens for business.

### Who is eligible to propose?

Proposers must meet minimum requirements, which are dependent on the type of opportunity. However, all opportunities will require the following:

- Minimum years of experience
- Minimum gross revenues or operational requirements
- Financial capacity to build and operate the business

- Meet the ACDBE Goal

### **How do I find out about opportunities?**

By logging onto the Concession Website <http://business.flydenver.com/bizops/concessions.asp> and registering to be notified of opportunities. Database participants will be notified of all concession opportunities and informational sessions conducted by the Airport or other City Agencies.

### **Who do I contact if I have questions?**

Business Development staff can be reached at: [concessions@flydenver.com](mailto:concessions@flydenver.com)

### **What are the terms of a concession agreement?**

- Service agreements are 5 years
- Retail agreements are 5 years
- Food/Beverage agreements are 7 years
- Casual Dining Bar agreements are 10 years

### **What is the rent structure?**

The rent is equal to a Minimum Annual Guarantee (MAG) which is the rate per square foot or a Percentage Fee, whichever is greater. The Percentage Fee is established in the RFP document according to the concession policy.

Retail	\$70 per square foot
Food/Beverage	\$59 per square foot
Services	\$36 per square foot
Office Space	\$59 per square foot
Storage Space	\$12 per square foot

### **Where can I find the Concession Policy?**

The Concession Policy can be found at the following link:  
<http://business.flydenver.com/bizops/documents/concessPolicy.pdf>

### **What are build out costs?**

- A minimum of \$300-\$350 per square foot for Service and Retail concepts.
- A minimum of \$400-\$450 per square foot for Food & Beverage concepts.

Depending on the concept and size of the space per square foot costs can be higher or lower.

### **Why are build out costs high?**

Build out costs can be higher at an airport due to a lack of competition for contractors, prevailing wage requirements, as well as SBE and M/WBE requirements. Well over 125,000 passengers pass through DIA each day, which can lead to decreased access to the space and hours available to work, contractor personnel and subcontractors must be badged, and high quality of materials need to be used.

### **Can a concessionaire use their own contractor?**

Yes, however, your contractor and sub contractors must obtain airport badging. This process can take up to 90 days.

### **What do I do while I am waiting for an opportunity?**

A Concession Program Checklist can be found on the Concession Web site at: <http://business.flydenver.com/bizops/documents/nextSteps.doc>. This checklist is provided as a courtesy to help potential proposers through the process, however it is in no way a substitute for the instructions contained in the Request for Proposal document.

### **What kind of revenue does the Concession Program generate?**

- Food and Beverage generated \$148 million in gross sales, \$1,321/square foot, and \$5.80/enplanement.
- Specialty Retail generated over \$71 million in gross sales, \$1,230/square foot, and \$2.80/enplanement.
- Services generated \$31 million in gross sales and \$1.21/enplanement.

### **What is the customer population?**

Airports define the customer population as a percentage of enplaning passengers. Enplaning passengers are the customer preparing to board a plane. Deplaning passengers do not typically purchase.

### **Where can I find customer demographic information?**

Customer demographic information can be found at the following links: <http://business.flydenver.com/bizops/documents/focusGroup.pdf> and <http://business.flydenver.com/bizops/documents/interceptStudy.pdf>

### **Does DIA accept unsolicited concession/services proposals?**

We do not accept unsolicited concession/services proposals. However, we encourage you to fill out a Request for Concept which is the second link under 'Outreach' at <http://business.flydenver.com/bizops/concessions.asp>. Please forward this form to [concessions@flydenver.com](mailto:concessions@flydenver.com); this type of information is very useful in our concession concept planning.

### **Does DIA have a cart or kiosk program?**

If you are interested in operating a specialty retail RMU or kiosk at DIA, please register on <https://business.flydenver.com/bizops/signupNotify.asp?typeChoice=1>.

### **Does DIA pay broker fees?**

No.

### **How can my product be sold by a current concessionaire?**

Contact individual concessionaires directly; a contact list is posted at <https://business.flydenver.com/bizops/documents/corporateContacts.pdf>

### **What are business hours?**

All concessions must be open for 16 hours per day. The schedule is determined by location and passenger traffic.

### **Employee hiring and retention?**

The Office of Economic Development offers services that employers can utilize in the hiring and training of employees. Contact: [lynn.sargent@denvergov.org](mailto:lynn.sargent@denvergov.org) or [www.MileHigh.com](http://www.MileHigh.com).

**Who is responsible for badging?**

The employer is responsible for ensuring that all its employees are badged. For more information click on the following link:

<http://business.flydenver.com/bizops/tenServices/documents/secOverview.doc>.

**Where do employees park?**

Concession employees can park in the Landside Lot located east of the car rental properties. There is a monthly permit fee of \$36 per employee and fees are subject to change.

**How do employees get to the airport?**

The majority of employees use Regional Transportation District (RTD) to get to the airport. RTD's link is: <http://rtd-denver.com>.

**Does DIA offer exclusives?**

No, DIA does not offer exclusive concession agreements.

**Does DIA assist with construction costs?**

No, the Airport does not assist with construction costs. However, proposers should check with the Office of Economic Development to see if they qualify for any of their programs. Contact: [lynn.sargent@denvergov.org](mailto:lynn.sargent@denvergov.org) or [www.MileHigh.com](http://www.MileHigh.com).