A. Meeting Called to Order
Schiff called the meeting to order.

B. Regional Tourism Act (RTA): Ken Jensen, Che Sheehan, Jeff Kraft
NCRTA Board Composition
Jensen said OEDIT has been reviewing this issue with NCRTA and we believe the board is short a few members. We are not asking for approval of anything today but want to inform the board we plan to bring this up formally at the next board meeting and there will likely be some recommendations for the EDC to add some more NCRTA board members. The statute requires seven board members and there are currently three.

NCRTA Extension
Kraft recapped where we are in the process for NCRTA. The most recent action the EDC took on this a few meetings ago, you reaffirmed the definition of the project element for a combined project in Loveland for combining the Outdoor Whitewater Park with the Waterpark Hotel. You reaffirmed the scope of that project with slight adjustments to the scope and the amount of revenue it would generate. There are a number of elements associated with an extension request and we will hear from the elements today about the request. As a reminder the RTA statute calls for local government applicants for an award. You’ll see there is members of a key government that have applied within a coalition here today being Loveland and Estes Park. You also have a financing entity which was established which is the NCTRA. And then we have the developers here today as well.
There has been really intensive engagement with OEDIT and the all three of the stakeholders over the last nine months or so. We have been meeting weekly and ad hoc meetings. There has been a high degree of focus and we have been working with the project manager they hired and legal counsel.

Jeff turned the presentation over to John Fogel.

Fogel introduced himself and is speaking today on behalf of the NCRTA, Larimer County, City of Loveland, the Town of Estes Park, and The Town of Winsor for the purpose of requesting a one year extension of the commencement of substantial work (CSW) deadline for two of our elements, The Loveland Whitewater Adventure Park and Resort and the Stanley Film Center.

Today’s presentation is supplemental to the written request we submitted to OEDIT last week which I believe all of you received our packet. Based on the work we’ve done to date we are confident with the requested extension, we will be able to launch two successful projects over the next twelve months.

Fogel introduced his team, Kelly Jones, Alan Krcmarick, Cindy Mackin, Trey Rogers, Dave Clark, Scott Shipley, Steve Nielsen, David Jones, John Cullen, Paul Rennemeyer, and Wendy Koenig.

Koenig said Estes Park is in support of both projects. Loveland and Estes Park actually share quite a bit of tourism between the two communities and we are excited about the whitewater rafting and hotel. We’re really very excited about the SFC project. John has begun the infrastructure of that project and he will continue to forge ahead. The Town stands behind the projects and anything we can do to help we will continue to do. Thank you for your consideration.

Clark said we are excited about this project. One of the things I’m excited about is all of the collaboration we are doing in Northern Colorado. We have a great thing going up hear and we’re excited about this potential project and looking forward to your help in moving this along.

Jones began the presentation by saying the importance of these projects to Northern Colorado is difficult to quantify but we can conservatively say this $200M plus project will lead to 1105 direct jobs, another 2783 in one-time construction jobs. The total economic output is $104M in annual impact with a one-time output of $346M in one-time construction impacts. It is rare that an economic development expert will be able to work on a project of this scale and it has taken a village. Jeff Kraft, Che Sheehan, and Ken Jensen have been instrumental in guiding this team and are an integral part of this village.

Krcmarik reviewed the completed work to date for these projects touching on the following.

- Realization Stage Summer 2016
  - Whitewater Team began to understand that a Whitewater Park was not a typical Real Estate Deal
- Regrouping 2017-2019 Brought in more outside help
  - Identified several prospects (cycle of three months to review and not receive commitment)
  - Still Determined
- Spring 2019 Collaboration Session with OEDIT and State Resources
- P3 Partners identified in mid-2019 (Scott Shipley)
- City vetted, trust established, and project gained traction including multiple site visits in the region
- COVID19 in 2020 1st Qtr Delay site decision Need more time
Krmari provided the following key metrics:

### Estimated Annual Visitor Days (in stabilized year)

<table>
<thead>
<tr>
<th></th>
<th>Waterpark Hotel</th>
<th>Whitewater Adventure Park</th>
<th>Combined Project Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net New Overnight Visitor Days</td>
<td>141,778</td>
<td>31,230</td>
<td>173,008</td>
</tr>
<tr>
<td>Total Out of Town Visitor Days</td>
<td>278,098</td>
<td>378,020</td>
<td>656,118</td>
</tr>
<tr>
<td>Total Visitor Days (including local day trips)</td>
<td>278,098</td>
<td>397,920</td>
<td>676,018</td>
</tr>
</tbody>
</table>

Source: Table 5 HVS and Anderson Analytics

### Projected State Sales Tax Increment Revenue (SSTIF)

<table>
<thead>
<tr>
<th></th>
<th>Total Collections</th>
<th>Present Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resort Hotel (redesigned)</td>
<td>$20.7 million</td>
<td>$8.5 million</td>
</tr>
<tr>
<td>Whitewater Adventure Park</td>
<td>$4.4 million</td>
<td>$1.8 million</td>
</tr>
</tbody>
</table>

This data was used in the special meeting with the EDC August 2020. Tables 11 and 13 from Anderson Analytics. Revised Version October 2020

Krmari turned the presentation over to Scott Shipley.

Shipley said he wants to remind everyone about what it is they plan to do and how that is unique. Covering the following items:

**Loveland Whitewater Adventure Park and Resort Vision**
- Creation of a mixed venue that combines the hotel waterpark with the whitewater park attraction.
- Provides more than 30 outdoor adventure activities
- Creates healthy active outdoor recreation year round
- Designed by leading whitewater park designer, operated by leading whitewater park operator
- Significant regional attraction that can host national and international events.

Nielsen said in jumping into this we had to rely heavily on the expertise of local design and engineering construction partners, Anderson Analytics, The City of Loveland staff and thank you to the OEDIT staff on their review and input on the proposed project.

Based on the amenities that have been proposed at the conceptual development stage our estimated costs are just over $210M.

### Sources and Uses of Funds

<table>
<thead>
<tr>
<th>Loveland Whitewater Adventure Park</th>
<th>Use of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Costs</td>
<td>$ 13,939,200</td>
</tr>
<tr>
<td>Hard Costs</td>
<td>$ 149,669,308</td>
</tr>
</tbody>
</table>
### Public Finance Approach

*Nielsen* talked about the public finance approach which starts with a development agreement with the City of Loveland. Land is brought in and everything is handled through the municipal development foundation. This is a non-profit foundation that I am the chairman and CEO for. It’s designed that it can’t make money. We have very strict reporting requirements. But it allows us to borrow money, develop and own the project. I’m now talking about all the water amenities. We then enter into a facility use agreement with the operator of these facilities. We contract with P3 Partners to be the project developer. They will then in turn guarantee completion and construction. We have a letter of interest from the Phoenix Industrial Development Authority for the financing. They have the ability to issue tax exempt and taxable municipal development bonds anywhere in the United States. We bring that opportunity to financing this project directly with us.

### Ownership Entity and Structure

*Nielsen* said it is important to note the idea of non-profit foundation. Giving up the profit element of this makes the project more efficient. It reduces the profit motive. It creates the lowest cost financing opportunity and all operating revenue is handled under a qualified management agreement that again is controlled by law. It controls cost and expenses to make something that is attractive and exciting as the Outdoor Whitewater Adventure Park a viable opportunity where others have failed. The bonds are not a direct obligation of the City. This approach is designed to have little to no impact on bonding or debt capacity of the city going forward. At the point where the Park generates revenue that is reinvested back into the community. It is a way for you to not only stimulate the tourism market but recoup that public investment into the project.

*Nielsen* talked about the work that has been completed and the project timeline moving forward.

*Mackin* began talking about the economic impact of the projects. Loveland has so much to offer. Our occupancy has been number one or two in the state for the last few years. We have won several awards.
for our marketing and in fact are up for a silver anvil national award this week for everything we're doing to help promote Loveland and Northern Colorado. We have been successful but we need a project like this, a big attraction. 4.67M visitors made their way through our communities to the third busiest national park in the country. Tourism is that first date to economic development. Everything that we are doing right now is the catalyst the project we need to move us to the next level and attracting more visitors and business getting people to come to Northern Colorado.

Rogers said NCRTA is current on their reporting obligations. Two years ago we brought on CLA and accounting firm that has been assisting us with accounting and auditing functions. We now have audited financials for the latest completed year. We are current on our quarterly meetings and reports. We are also current on our eligible cost certifications. We are now in a groove with OEDIT staff on these reporting requirements and we are in good shape to continue to meet all these requirements going forward. The OEDIT staff is outstanding. We could not have done this presentation today without the strong help and support of Jeff, Ken, and Che.

Fogel said I hope you can get the idea of just how excited we are about this project. Thank you again for your attention and consideration for our requests. They are critical. Since 2011 OEDIT has assisted us along our way. Jeff, Ken, and Che have been excellent to work with. We would not be here without your help and we thank you.

Cullen said since we last talked we’ve spent about $1.5M more on the project. We are writing checks at about $700,000 a month now on this project. The first phase is the restoration of the Carriage House. It is about 10,000 square feet. It started off as a 4,000 square foot single floor garage 120 years ago. It gets reborn this winter as a restaurant and 130 seat theater underground. It is a complicated project because the way to restore that building is to lift the entire roof off the building and move it to the side and dig a basement down 20 feet because F.O. Stanley put it on dirt. There was no foundation. So we decided to stick some of the elements of the SFC underneath the building itself. In that process we decided to spend the money on all of the infrastructure, parking, electric, sewer and all the items that basically have to go through that building into the rest of the SFC. This little restaurant project has turned into an $8.5M Phase I of the SFC. There is 108 parking spaces. A transformer the size of a small school bus. We are underway. It’s fully financed between a traditional lender and cash from the Stanley. That allows us to go into the second phase which is the 80,000 square foot main complex of the SFC.

The SFC has it’s financing in line. It is a traditional loan. The bond markets at this point in time are not reliable for this type of construction, especially as it relates to anything with the word hotel in it. The Stanley is doing quite well despite COVID and forest fires. We did sixty-eight percent occupancy last night. Fourteen of the rooms are free to visiting fire fighters. The important part is our lender basically said we qualify for hotel financing in a market where there is very little.

Cullen provided a $29M letter of intent. It’s going to take three months to close the loan. Although in today’s world it will probably be six months with upcoming holidays and the election. I expect to close that loan sometime in the spring of next year and start construction within in three-months after the close. Between Phase I and II we will spend approximately $37 to $40M, all of which is in hand not relying on the bond market, outside parties, debt and equity. It’s all internal. This project can open two years from next Christmas, twenty-six months. I am confident in the core elements of financing construction costs. It is a maximum guaranteed bond with Saunders Construction. The SFC zoning was put in place by the prior owners of the Stanley roughly thirty-five years ago. I still have to go through an architectural review and a building permit process through Estes Park. We’ve done that several times in the last four
years so I’m confident on that. We will build everything to code and historical compliance. I’m confident in where we are and ask for your assistance in granting the extension.

Jensen said OEDIT has received two requests for extension to the deadline to Commencement of Substantial Work, one from the City of Loveland for the Whitewater Adventure Park and Hotel, and one from the Town of Estes Park for the Stanley Film Center. Both requests are for a one year extension on the deadline for the Commencement of Substantial Work. Since the statutory deadline for the Commencement of Substantial Work is November 12, 2020 (five years from the date of EDC approval), this request is to extend that deadline to November 12, 2021. These requests are being reviewed independently, and the EDC has the option to make separate decisions and/or place separate conditions on each request. And even though these requests are for one full year, the EDC has the option of reducing the length of time extended.

If Commencement of Substantial Work for a Project Element is not achieved by the deadline imposed by the EDC, the statute requires the EDC to revoke that Project Element’s approval.

This request for extension only applies to the deadline to achieve Commencement of Substantial Work. The ten year deadline to complete these projects in the resolution is not being extended, and remains at November 12, 2025.

These requests for extension covers several topics. Following is OEDIT’s assessment of those topics.

For reference, the NCRTA project has received $743,000 in RTA revenue in the five years since EDC approval. Because of the reduction in sales tax collections this year due to COVID, the project is not expected to receive RTA revenue this year; the earliest they would likely receive RTA revenue again is autumn of 2021.

Jensen reviewed the project history and current status.

Rennemeyer said although we are not in the running for one of the projects we are definitely in support of the projects. We hope the extension is granted. We know that they will be beneficial to the region and the state. Thank you for allowing me to lend my support today.

Schiff asked if there were any questions. Hearing none, Schiff entertained a motion to enter executive session to receive advice from counsel.

Franz said, pursuant to Colorado Revised Statutes Section 24-6-402(3)(a)(ll), I move that we go into executive session with our attorney for the purpose of receiving legal advice about the RTA Program. Dragoo seconded the motion. Motion passed unanimously.

The EDC is now in Executive Session.

With all items for Executive Session discussed, Schiff entertained a motion to exit Executive Session.

Allen-Davis moved the EDC exit Executive Session and enter into Open Session. Pryor seconded the motion. Motion passed unanimously.

The EDC is now in Open Session.
Markey said since she’s been at OEDIT I have seen a tremendous amount of work and I want to thank everyone for all the work being done on these projects.

Kraft said OEDIT staff strongly supports the fact that Go NoCO has made a positive affirmative case for an extension. For the SFC and Loveland, we give staff support to the EDC for the extension and appreciate all the work that you’ve done. We really appreciate the thoughtfulness the Commission is taking in evaluating this.

Schiff and Kraft said we want to tell you that we are favorably inclined to approve the request. We are not prepared to approve it yet this morning. There are some critical pieces from our perspective and those include taking a look at the Resolutions for this project and given all of the changes to this project since they were originally drafted, we’ve asked OEDIT to go back and study them in discussion with the Go NoCO team and recommend to us any particular changes. OEDIT staff will work with you and provide some feedback on the Commencement Milestones so you’re aware of what you’re shooting for. We also want some updates from both the applicant of Estes Park and the Developer of the SFC about the process for putting in place a separate financing entity and any progress there as well as any updates on the site selection process. We will take up this request formally in November. We recognize that our meeting is about a week after the expiration date but any approval at that time would be retroactive.

With all items discussed, the meeting was adjourned.