

AGENDA
LOVELAND CITY COUNCIL MEETING
LOVELAND GID BOARD OF DIRECTORS
TUESDAY, JANUARY 19, 2016
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

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"La Ciudad de Loveland está comprometida a proporcionar igualdad de oportunidades para los servicios, programas y actividades y no discriminar en base a discapacidad, raza, edad, color, origen nacional, religión, orientación sexual o género. Para más información sobre la no discriminación o para asistencia en traducción, favor contacte al Coordinador Título VI de la Ciudad al TitleSix@cityofloveland.org o al 970-962-2372. La Ciudad realizará las acomodaciones razonables para los ciudadanos de acuerdo con la Ley de Discapacidades para americanos (ADA). Para más información sobre ADA o acomodaciones, favor contacte al Coordinador de ADA de la Ciudad en bettie.greenberg@cityofloveland.org o al 970-962-3319".

Please Note: Starting times shown on agenda are estimates only; actual times may vary.

(5:00 P.M.) DINNER – City Manager's Conference Room

(6:00 P.M.) (NOTE NEW TIME) REGULAR MEETING - City Council Chambers

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

**(6:05) PROCLAMATION DECLARING JANUARY 2016 TO HONOR MARTIN LUTHER KING, JR.
AND RENEW OUR COMMITMENT TO CIVIL RIGHTS
(Franklin Jefferson, Martin Luther King Committee)**

**(6:15) PROCLAMATION LOVELAND ENERGY CHALLENGE MONTH
(Kandi Smith and Michael O'Brien, Ponderosa Elementary and Timothy Bren, Lucille Erwin Middle School)**

Anyone in the audience will be given time to speak to any item on the Consent Agenda. Please ask for that item to be removed from the Consent Agenda. Items pulled will be heard at the beginning of the Regular Agenda. Members of the public will be given an opportunity to speak to the item before the Council acts upon it.

Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption of the staff recommendation for those items.

Anyone making a comment during any portion of tonight's meeting should come forward to a microphone and identify yourself before being recognized by the Mayor. Please do not interrupt other speakers. Side conversations should be moved outside the Council Chambers. Please limit comments to no more than three minutes.

(6:25) CONSENT AGENDA

1. CITY CLERK (presenter: Terry Andrews)

APPROVAL OF MEETING MINUTES

A Motion To Approve The City Council Meeting Minutes For The January 5, 2016 Regular Meeting

This is an administrative action to approve the City Council meeting minutes for the January 5, 2016 Regular Meeting.

2. CITY MANAGER (presenter: Bill Cahill)

APPOINTMENTS TO THE POLICE CITIZEN ADVISORY BOARD

1. Adopt a motion to appoint Mark Kirkpatrick to the Police Citizen Advisory Board for a partial term effective until December 31, 2016.

2. Adopt a motion to reappoint Beverly Cardarelli to the Police Citizen Advisory Board for a term effective until December 31, 2018.

3. Adopt a motion to reappoint Tony Adams to the Police Citizen Advisory Board for a term effective until December 31, 2018.

4. Adopt a motion to reappoint Dennis Soucek to the Police Citizen Advisory Board for a term effective until December 31, 2018.

This is an administrative item appointing members to the Police Citizen Advisory Board.

3. DEVELOPMENT SERVICES (presenter: Bob Paulsen)

CODE AMENDMENTS ADOPTED BY REFERENCE

A Motion To Adopt On Second Reading, Ordinance #5987 Repealing Titles 16, 17, 18 And 19 Of The Loveland Municipal Code And Reenacting And Adopting The Same By Reference

This is a legislative action. The primary focus of the amendments is to establish procedures and requirements for the processing of development review applications, including subdivision, annexation and zoning-related applications. The heart of this effort includes two primary components:

1. New chapter 18.39 - Development Application Process and Procedures

2. Expanded chapter 18.46 - Site Development Plan Requirements and Procedures

In addition to the main procedural amendments, the amendments include clarifications and adjustments to portions of each of the four titles. The proposed code amendments are the same as the amendments presented at the City Council study session on November 10, 2015. No concerns were expressed as to the content of the amendments at the study session. On December 15, 2015, City Council unanimously approved this ordinance on first reading. [Link to the Final \(clean\) version of the code provisions](#)

4. DEVELOPMENT SERVICES (presenter: Alan Krcmarik)

SPECIAL IMPROVEMENT DISTRICT (SID#1)

A Motion To Adopt On Second Reading, Ordinance #5991 Amending Ordinance No. 4519 And Ordinance No. 5245, Reducing The Principal Amount Of The Assessments And The Rate Of Interest Payable On Installments Of Assessments In Special Improvement District No. 1; Ratifying Action Previously Taken By City Officers In Connection Therewith; And Providing For Other Matters Related Thereto

This is an administrative action. The City of Loveland recently completed the refunding of its Special Improvement District No. 1 (Series 2007) revenue bonds. Through the refunding, the interest rate on the bonds was lowered from 5.625% to 3.90%. The bonds were sold to First Bank. Due to the refunding, the total amount of debt service to be paid on the new refunding bonds will be lower than the refunded bonds. Some of the savings may be passed along to the property owners that are subject to the specials assessments. The proposed Ordinance provides for the reduction in the assessments. The reduction in the principal amount assessments will be about \$670,400 or about 11.5 percent lower than the prior assessments. On January 5, 2016, City Council unanimously approved this ordinance on first reading.

5. DEVELOPMENT SERVICES

(presenter: Troy Bliss)

PUBLIC COMMENT

VACATION OF EASEMENTS FOR PETCO AT ORCHARDS SHOPPING CENTER

1. A Motion To Adopt On First Reading, An Ordinance Vacating An Easement Located Within Lots 4 And 5, Replat Of Tract "G" Of Orchards Addition, City Of Loveland, County Of Larimer, State Of Colorado

2. A Motion To Adopt On First Reading, An Ordinance Vacating A Portion Of A Reciprocal Private Access, Utility And Drainage Easement Located Within Lot 2, Block 1 Of The Orchards Thirteenth Subdivision, City Of Loveland, County Of Larimer, State Of Colorado

This is a legislative action to adopt two associated ordinances, on first reading, vacating easements within the Orchards Addition and Orchards Thirteenth Subdivision – located east of N. Garfield Avenue and north of E. 29th Street. This item is associated with plans to locate a Petco retail store in the Orchards Shopping Center. A small private access, drainage, and utility easement is of no consequence to the City because it is private and includes no public utilities. A larger, triangular shaped easement, however, contains public utilities. In order to vacate this triangular-shaped easement, a new easement will be dedicated and utilities rerouted. The new easement will be dedicated through separate development applications associated with the Petco project which is currently undergoing special review. Staff is recommending approval of both vacation requests.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF DIRECTORS FOR THE LOVELAND GENERAL IMPROVEMENT DISTRICT #1 (GID)

6. DEVELOPMENT SERVICES

(presenter: Troy Bliss)

PUBLIC HEARING

PROPERTY INCLUSION WITHIN THE GID

A Motion To Adopt On First Reading, An Ordinance Granting A Petition For Inclusion Of The West Fifty Feet Of SW Block 34, Everettts Subdivision, City Of Loveland, County Of Larimer Within The Loveland General Improvement District No. 1 In Loveland, Colorado

This is a legislative action to consider adoption of an ordinance, on first reading, to include the property legally described as the west 50 feet of the southwest portion of Block 34, Everettts Subdivision, City of Loveland, County of Larimer, State of Colorado in the General Improvement District (GID). This property includes an existing two-story building and a single family home. The owner (Charles Salwei) wishes to renovate the two story building generally located at the northeast corner of N. Jefferson Avenue and E. 3rd Street (348 N. Jefferson Avenue) for additional apartment units and office use.

ADJOURN AS THE BOARD OF DIRECTORS FOR THE LOVELAND GENERAL IMPROVEMENT DISTRICT #1 (GID) AND RECONVENE AS CITY COUNCIL

7. PARKS AND RECREATION

(presenter: Marilyn Hilgenberg)

PUBLIC COMMENT**GREAT OUTDOORS COLORADO GRANT**

1. A Motion to Adopt Resolution #R-8-2016 Of The Loveland City Council Approving a Grant Agreement Between the City of Loveland, Colorado and the State Board of the Great Outdoors Colorado Trust Fund for the Ward Trust Property Open Lands Acquisition.

2. Motion to Adopt On First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget for the Ward Trust Property Open Lands Acquisition.

This is an administrative action. The City applied for and was awarded a Great Outdoors Colorado ("GOCO") grant for the Ward Trust Property Open Lands Acquisition, which includes the acquisition of a 73-acre parcel and associated George Rist Ditch water rights. This is an administrative action to approve the grant agreement and authorize the City Manager to sign the agreement on behalf of the City. In addition, the ordinance appropriates funding for the acquisition of the Ward Trust Open Lands Acquisition.

The grant is for an amount not-to-exceed \$500,000. The grant requires that the City and its partners provide the remainder of the funding for this acquisition. A supplemental appropriation for \$2,100,000 from the Open Space Tax Fund is required for this acquisition. In addition, Larimer County has committed matching funds of up to \$250,000 for this project.

8. COMMUNITY PARTNERSHIP OFFICE (presenter: Alison Hade)

AFFORDABLE HOUSING HARDSHIP WAIVER**A Motion to Adopt Resolution #R-9-2016 Authorizing A Release Of A Restriction On Conveyance Of Property Associated With A Designated Affordable Housing Unit**

This is an administrative action authorizing the Release of a Restriction on Conveyance of Property Recorded with the Larimer County Clerk and Recorder at Reception No. 20120060564 for Lot 4, Block 8, Giuliano First Subdivision, Loveland Colorado Pursuant to Section 16.43.080 of the Loveland Municipal Code due to a hardship. If the waiver is granted, the City would not receive any percentage of net proceeds from the sale of the property.

9. PUBLIC WORKS (presenter: Leah Browder)

FORT COLLINS LONGMONT EXPRESS (FLEX) IGA**A Motion To Adopt Resolution #R-10-2016 Approving An Intergovernmental Agreement (IGA) Between The City Of Loveland, Colorado And The City Of Fort Collins, Colorado For Bus Service Between Fort Collins And Longmont.**

This is an administrative action to consider a resolution to approve an Intergovernmental Agreement (IGA) with Fort Collins to provide regional bus service between Fort Collins and Longmont along the U.S. Highway 287 corridor. This service is referred to as the Fort Collins-Longmont Express or FLEX route. This IGA covers service for calendar year 2015 and provides the basics for discussion in 2016. Funds for the local match portion of the contract (\$100,000) are budgeted into the annual core transit budget.

10. CITY MANAGER (presenter: Bill Cahill)

DDA BOARD APPOINTMENTS**A Motion To Adopt Resolution #R-11-2016 Appointing Members to the Downtown Development Authority Board**

This is an administrative item to approve the Resolution appointing members to the Downtown Development Authority (DDA) Board. If the Resolution is approved, Joe Goacher will be appointed to a term effective until June 30, 2017 and Jackie Marsh will be appointed to a term effective until June 30, 2016.

11. **CITY MANAGER** (presenter: Bill Cahill)
FIX NORTH I-25
A Motion To Adopt Resolution #R-12-2016 To Approve A Contribution To The Fix North I-25 Business Alliance
 This resolution is an administrative action to contribute \$20,000 for the support of the Fix North I-25 Business Alliance. The request is made by the Loveland Chamber of Commerce; similar requests are being made of other local governments. The funding will be used to support advocacy for improvements of North Interstate 25, which have traditionally been deemed highly important by the City Council.
 The proposed contribution is \$20,000, and will decrease the General Fund unassigned balance by that amount when an appropriation request is made. At January 6, the unassigned General Fund balance is \$6,446,959.

12. **CITY COUNCIL LEGISLATIVE REVIEW COMMITTEE** (presenter: Rod Wensing)
ADOPTION OF COUNCIL LEGISLATIVE POLICY AGENDA
A Motion To Adopt The Attached 2016 City Council Legislative Policy Agenda
 This is an administrative action. The Council Legislative Review Committee members Mayor Gutierrez and Councilors Fogle and Shaffer as well as City staff are seeking a motion to approve the attached 2016 Loveland City Council Legislative Policy Agenda and authorize the City Manager and designees to respond promptly, carefully, and appropriately to legislative positions indicated within the Council's Legislative Policy Agenda, as well as other legislative items or action that may adversely impact the interests of the City and its citizens as they arise.

13. **LOVELAND FIRE RESCUE AUTHORITY** (presenter: Mark Miller)
ENGINE PURCHASE CONTRACT
A Motion To Approve An Engine Purchase Contract With SVI, Inc. For \$512,000
 This is an administrative action to approve a budgeted, replacement fire engine purchase in excess of \$500,000 as required by municipal code. The engine is being purchased through a cooperative purchasing agreement for \$512,000. It is a Spartan cab and chassis that is constructed to meet specifications. The City has successfully used the cooperative purchasing agreement to buy other apparatus and equipment over the years.

14. **CITY ATTORNEY** (presenter: Tami Yellico)
LEE FARM METRO DISTRICT 1-4 SERVICE PLAN
A Motion continuing the Public Hearing for the purpose of considering the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4 to on or about 6:00 p.m. on February 2, 2016
 Public notice was published in the Loveland Reporter-Herald and mailed as required by State statute. The published and mailed notice were for a Public Hearing on or about 6:30 on January 19, 2016 for the purpose of considering the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4. Staff is still completing its review of the Consolidated Service Plan and working with the developer regarding revisions. Staff requests that City Council take the administrative action of continuing the hearing on the record of the January 19, 2016 meeting to February 2, 2016 on or about 6:00 p.m.

END OF CONSENT AGENDA

(6:35) **CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA**

(6:40) **PUBLIC COMMENT**
Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this

time.

PROCEDURAL INFORMATION

Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council quorum present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.

REGULAR AGENDA

CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

(6:50) 15. **CITY ATTORNEY** (presenter: Tami Yellico)
PUBLIC HEARING
VAN DE WATER METRO DISTRICT 1-3 REFINANCING
A Motion to Adopt Resolution #R-13-2016 Approving the Issuance of Bonds and Extension of Debt Maturity for VDW Metropolitan Districts Nos. 1 – 3
 This resolution is an administrative action to approve the VDW Metropolitan Districts Nos. 1-3 (the "Districts") issuance of bonds on a date after July 1, 2012 and the question of extending the maturity of a portion of the Districts' current debt by refunding, as both actions require a public hearing and approval of the City of Loveland City Council pursuant to Sections VII.B and VII.E of the Districts' Consolidated Service Plan.

(7:15) 16. **WATER AND POWER** (presenter: Steve Adams)
FEMA EMERGENCY ORDINANCE
A Motion To Adopt Ordinance #5992 Enacting An Emergency Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget For A FEMA Solar Facility Alternate Project
 This is an administrative action. This ordinance re-appropriates funding approved in 2015 for the Solar facility portion of the FEMA Alternate Project. This emergency ordinance is being requested as an acceleration of the normal re-appropriation process so that completion of the Solar facility can stay on schedule.
 At the July 7, 2015 City Council Meeting, Council approved a supplemental budget appropriation, on second reading, of \$9,068,018 for the substation and Solar facility FEMA Alternate Projects. Of the \$9,068,018, \$5,068,018 was for the Solar facility and came out of the Power Plant Investment Fee (PIF) Fund, which is used for growth-related capital projects. The remaining \$4,000,000 for the substation project will be included with the City's re-appropriation ordinance that is presented to City Council in April 2016.

(7:30) 17. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
DOWNTOWN SOUTH CATALYST RFP UPDATE
POSSIBLE EXECUTIVE SESSION
A Public Update on the Downtown South Catalyst Request for Proposals and a Possible Executive Session to Discuss Confidential Commercial and Financial Information Protected Under the Open Meetings Law and City Charter and/or Colorado Open Records Act
 This is an administrative action. On October 6, 2015 City Council approved a Request for Proposals (RFP) for a development partner for the South Catalyst project. In addition, Council approved a Review Committee that included City Councilors, City staff and

downtown stakeholders. After a thorough review, the Review Committee is recommending the City partner with Brinkman Partners from Fort Collins for the South Catalyst project. The Executive Session may be used to discuss the financial request and conceptual plans that were submitted by both developers under a non-disclosure agreement. Based on the direction provided by Council, staff intends to bring the Exclusive Right to Negotiate (ERN) with the Brinkman Partners back to Council for consideration at the February 2 regular meeting.

**(9:00) 18. ECONOMIC DEVELOPMENT (presenters: Marcie Erion, Alan Krcmarik and
GUIDANCE ON RTA AND EAGLE CROSSING NEGOTIATIONS Bill Cahill)
POSSIBLE EXECUTIVE SESSION**

This item includes an update on two projects, the Regional Tourism Act (RTA) project and the Eagle Crossing Development, and a possible Executive Session on each project to develop strategy for negotiations, instructing negotiators, and determining positions relative to matters that may be subject to negotiations, and for the receipt of legal advice.

This is an administrative action. Staff has been working on the RTA since 2014 and recently received approval of the project elements and state increment funding amount. The next step of the process is to negotiate cooperative agreements with the State of Colorado structuring development requirements and municipal financial participation.

Water Valley Company LLC has requested a development agreement be executed including City financial support for the Eagle Crossing mixed used development at Crossroads and I-25. Staff is seeking direction in regards to City participation in the project.

BUSINESS FROM CITY COUNCIL

This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.

CITY MANAGER REPORT

CITY ATTORNEY REPORT

ADJOURN



CITY COUNCIL

Civic Center • 500 East Third Street, Suite 330 • Loveland, CO 80537
 (970) 962-2303 • Fax (970) 962-2900 • TDD (970) 962-2620
www.cityofloveland.org

PROCLAMATION

WHEREAS, Dr. Martin Luther King, Jr. devoted his life to the advancement of civil rights, social justice, equality and opportunity; and

WHEREAS, Dr. King inspired a non-violent national civil rights movement, working to end segregation in all areas of public life; and

WHEREAS, the civil rights movement Dr. King inspired led to the enactment of the Civil Rights Act of 1964, prohibiting discrimination based on race, color, religion, or national origin and paving the way to future civil rights legislation at the Federal and State level to advance equality in our society including the Voting Rights Act of 1965, the Fair Housing Act of 1968, and the Americans with Disabilities Act of 1990; and

WHEREAS, the State of Colorado has embraced the rights of a diverse population through the Colorado Anti-Discrimination Act; and

WHEREAS, the City of Loveland, Colorado recognizes protections under the Colorado Anti-Discrimination Act including disability, race, creed, color, sex, sexual orientation, religion, age, national origin, and ancestry as they apply to employment, public accommodation, and fair housing; and

WHEREAS, the City of Loveland has a diverse population, whose contributions to the community are vital to its economy, culture and civic character, and the preservation of civil rights and liberties is essential to the well-being of a democratic society; and

WHEREAS, the Mayor and City Council of the City of Loveland believe that honoring diversity and equal rights are the cornerstone of a thriving democracy and a moral imperative to the actions of a local government that contribute to the health and well-being of everyone and the strength of our city; and

WHEREAS, the City of Loveland, Colorado recognizes that Martin Luther King Day is an opportunity to recognize Dr. King's teachings on advancing equal rights and to reinforce our commitment to honoring and protecting diversity in our community.

Now, Therefore, we, the City Council of Loveland do hereby declare January 2016 to honor

MARTIN LUTHER KING, JR. and renew our commitment to civil rights

in the City of Loveland, Colorado.

Signed this 19th day of January, 2016

Cecil A. Gutierrez, Mayor



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CITY COUNCIL

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PROCLAMATION

WHEREAS

the city of Loveland recognizes the importance of partnering with the Thompson School District to offer assistance and resources to ensure children learn the importance of energy efficiency; and

WHEREAS

more than 450 children at Erwin Middle School and Ponderosa Elementary School participated in the Loveland Energy Challenge; and

WHEREAS

the participants at Erwin Middle School took 1, 320 energy saving actions; and

WHEREAS

the participants at Ponderosa Elementary took 1,152 energy saving actions; and

WHEREAS

the students at Erwin Middle School and Ponderosa Elementary School completed five modules of energy curriculum in three months, committed to making life changes in energy efficiency at home and in their classrooms, collectively took 2,472 actions to save energy, through which the students saved energy equivalent to the emissions from driving 2.3 million miles – around the world 93 times;

NOW, THEREFORE, we, the City Council of Loveland, do hereby proclaim the month of January as

Loveland Energy Challenge Month

Signed this 19th Day of January, 2016.

Cecil A. Gutierrez
 Mayor



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MINUTES
LOVELAND CITY COUNCIL MEETING
LOVELAND URBAN RENEWAL AUTHORITY
TUESDAY, JANUARY 5, 2016
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO

CALL TO ORDER, Mayor Gutierrez called the meeting to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: Councilors Present: Gutierrez, Johnson, Ball, Overcash, Clark, McKean Krenning. Councilor Shaffer arrived at 6:57 p.m. Councilor Fogle was absent.

Fire Chief of the Loveland Rural Fire Authority, Mark Miller presented Lifesaving Awards to Robert Morgan and Connor Quick (Lake Loveland Incident); and Arthur Aldrich (Choking Incident)

Anyone in the audience will be given time to speak to any item on the Consent Agenda. Please ask for that item to be removed from the Consent Agenda. Items pulled will be heard at the beginning of the Regular Agenda. Members of the public will be given an opportunity to speak to the item before the Council acts upon it.

Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption of the staff recommendation for those items.

Anyone making a comment during any portion of tonight's meeting should come forward to a microphone and identify yourself before being recognized by the Mayor. Please do not interrupt other speakers. Side conversations should be moved outside the Council Chambers. Please limit comments to no more than three minutes.

Mayor Gutierrez asked if members of the public, staff or Council would like to remove something from the consent agenda. No items were removed. Councilor McKean moved to approve the consent agenda. The motion seconded by Councilor Johnson carried with all councilors present voting in favor thereof.

CONSENT AGENDA

1. **CITY CLERK** (presenter: Terry Andrews)

APPROVAL OF MEETING MINUTES

A Motion To Approve The City Council Meeting Minutes For The December 8, 2015 Study Session and Special Meeting And The December 15, 2015 Regular Meeting was approved.

This is an administrative action to approve the City Council meeting minutes for the December 8, 2015 Study Session and Special Meeting and the December 15, 2015 Regular Meeting.

2. **CITY MANAGER** (presenter: Bill Cahill)

APPOINTMENTS TO THE PLANNING COMMISSION, OPEN LANDS ADVISORY COMMISSION, AND TRANSPORTATION ADVISORY BOARD

1. A Motion to reappoint Carol Dowding to the Planning Commission for a term effective until December 31, 2018 was approved.
2. A Motion to reappoint Patrick McFall to the Planning Commission for a term effective until December 31, 2018 was approved.
3. A Motion to reappoint Gale Bernhardt to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.
4. A Motion to reappoint Darren Pape to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.
5. A Motion to reappoint William Zawacki to the Open Lands Advisory Commission for a term effective until December 31, 2019 was approved.
6. A Motion to appoint Lindsey Dowswell to the Transportation Advisory Board for a partial term effective until June 30, 2018 was approved.

This is an administrative item appointing members to the Planning Commission, the Open Lands Advisory Commission, and to the Transportation Advisory Board.

3. LOVELAND FIRE AND RESCUE AUTHORITY (presenter: Mark Miller)

LFRA EXEMPTION FROM PERMIT FEES

A Motion To Adopt On Second Reading, Ordinance #5986 Amending The City Code To Provide The Loveland Fire Rescue Authority An Exemption From The Payment Of Permit Fees For Certain Projects Located Within The City was approved.

This is an administrative action that would allow Loveland Fire Rescue Authority construction projects in the City limits waivers on building permit fees consistent with other city projects according to Municipal Code Section 15.04.070 Exemption of Certain City Projects from Permit Fees. Fire construction projects are not currently charged permit fees; and therefore, there would be no impact on the budget. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

4. DEVELOPMENT SERVICES (presenter: Troy Bliss)

SCION 1ST ADDITION ANNEXATION AGREEMENT AMENDMENT

A Motion To Adopt On Second Reading, Ordinance #5988 Approving An Amendment To The Annexation Agreement For Scion First Addition, City Of Loveland, Larimer County, Colorado was approved.

This is a legislative action to consider adoption of an ordinance, on first reading, to amend an annexation agreement. As currently written, the annexation agreement requires that with the issuance of any building permit certain improvements be made including a left turn lane in E. 71st Street (the "Improvements"). The amendment would remove this absolute requirement and allow the applicant to submit a traffic study to determine if the Improvements are necessary based on the number of trips generated by the proposed development. Currently, the owner (Jim Sampson) wishes to construct a warehouse building on the property to store materials used in conjunction with the Scion Industries business. The amendment would allow Mr. Sampson to submit a traffic report to determine if the proposed warehouse would generate enough trips to warrant construction of the Improvements. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

5. DEVELOPMENT SERVICES (presenter: Alison Hade)

THE EDGE FEE WAIVERS

A Motion To Adopt On Second Reading, Ordinance #5989 Enacting A Supplemental Budget For Appropriation To The 2016 City Of Loveland Budget For Reimbursement Of Utility Fees For The Edge was approved.

This is an administrative action. On February 17, 2015, City Council adopted a resolution granting Loveland Housing Authority fee waivers for the construction of 70 units of

affordable rental units. Included in the fee waiver was \$402,099 in enterprise fees, which are required to be backfilled. The General Fund unassigned balance is \$6,849,058. If this ordinance is approved the remaining balance will be \$6,446,959. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

6. CITY MANAGER (presenter: Alan Krcmarik)
INVESTMENT POLICY

A Motion To Adopt On Second Reading, Ordinance #5990 Amending The City Of Loveland Investment Policy was approved.

This is a legislative action to consider amendments to the City's Investment Policy. The Citizens' Finance Advisory Commission has reviewed the City of Loveland Investment Policy and is recommending two changes. The first change clarifies that the investment program is administered by City staff members designated by the City Manager. The second change expands the maturity term limitations for certain authorized and suitable investments enumerated in the Investment Policy and also expands the credit ratings for certain investments. With the greater flexibility in maturity and credit quality, the City should be able to invest in securities that offer a slightly greater return on investment with a minimal amount of credit risk. The CFAC recommendation is for a three year period, at which time it would sunset unless reauthorized by City Council. On December 15, 2015, City Council unanimously approved this ordinance on first reading.

7. DEVELOPMENT SERVICES (presenter: Alan Krcmarik)
PUBLIC COMMENT

SPECIAL IMPROVEMENT DISTRICT

A Motion To Adopt On First Reading An Ordinance Amending Ordinance No. 4519 And Ordinance No. 5245, Reducing The Principal Amount Of The Assessments And The Rate Of Interest Payable On Installments Of Assessments In Special Improvement District No. 1; Ratifying Action Previously Taken By City Officers In Connection Therewith; And Providing For Other Matters Related Thereto was approved.

This is an administrative action. The City of Loveland recently completed the refunding of its Special Improvement District No. 1 (Series 2007) revenue bonds. Through the refunding, the interest rate on the bonds was lowered from 5.625% to 3.90%. The bonds were sold to First Bank. Due to the refunding, the total amount of debt service to be paid on the new refunding bonds will be lower than the refunded bonds. Some of the savings may be passed along to the property owners that are subject to the specials assessments. The proposed Ordinance provides for the reduction in the assessments. The reduction in the principal amount assessments will be about \$670,400 or about 11.5 percent lower than the prior assessments.

8. CITY CLERK (presenter: Terry Andrews)
MEETING NOTICES POSTING LOCATION

A Motion To Adopt Resolution #R-1-2016 Establishing the Location for the Posting of City of Loveland Meeting Notices for 2016 was approved.

This is an administrative action. Approval of the Resolution will designate the bulletin board immediately adjacent to the Loveland City Council Chambers located at 500 East 3rd Street, City of Loveland, Colorado, as the location for the posting for all of the City of Loveland's written notices in the year 2016. The Resolution also designates the City's Fire Administration Building as an Emergency Posting location if the primary designated location becomes inaccessible or is no longer in existence due to natural disaster or other similar cause.

9. **DEVELOPMENT SERVICES** (presenter: Karl Barton)**PUBLIC COMMENT
THREE MILE PLAN****A Motion To Adopt Resolution #R-2-2016 Adopting A Three Mile Plan For The City Of Loveland, Colorado was approved.**

This is an administrative action to formally adopt a Three Mile Plan for 2016. The Three Mile Plan is required by State Statute every year regarding the annexation of land. It consists of the City's comprehensive plan, other adopted plans covering infrastructure, services and surrounding areas, and procedures.

10. **FINANCE** (presenter: Brent Worthington)**FEESCHEDULE CORRECTIONS****A Motion To Adopt Resolution #R-3-2016 Amending Resolution #R-66-2015 And The 2016 Schedule Of Rates, Charges And Fees For City Services, Other Than Services Provided By The Water And Power Department And The Stormwater Enterprise was approved.**

This is an administrative action to adopt a resolution amending the 2016 Schedule of Rates, Charges, and Fees for City services, other than services provided by the Water and Power Department and the Stormwater Enterprise. The amendment would correct five errors.

Public Works had five Street Maintenance Utility fees that were inadvertently mislabeled in the 2016 Schedule of Rates, Charges, and Fees. The resolution would correct the Street Maintenance Utility Fees for Industrial, per acre from \$30.20 to the correct amount to be charged of \$23.27; High Traffic Retail, per acre from \$23.27 to the correct amount to be charged of \$232.69; Retail, per acre from \$232.69 to the correct amount to be charged of \$91.44; Miscellaneous Retail from \$91.44 to the correct amount to be charged of \$59.44; and Commercial, per acre from \$59.44 to the correct amount to be charged of \$30.20.

ADJOURN THE LOVELAND CITY COUNCIL AND CONVENE AS THE LOVELAND URBAN RENEWAL AUTHORITY11. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)**VERBOTEN BREWING PUBLIC IMPROVEMENT****A Motion To Adopt Resolution #R-4-2016 Of The Loveland Urban Renewal Authority Authorizing The Execution Of A Public Improvement Agreement With Verboten Limited, LLC, Lessee, And Lug Nutz, LLC, The Owner, Of The Building Located At 127 East 5th Street, Loveland, Colorado was approved.**

This is an administrative action to approve the Resolution. Verboten Limited ("Verboten") is seeking assistance of \$12,500 for electrical improvements in the public right-of way to occupy the building in Downtown. The agreement is funded by Tax Increment Finance (TIF) from the Loveland Urban Renewal Authority, Downtown Plan area and the agreement is consistent with allowed uses of TIF. In addition, the Loveland Downtown Partnership and Downtown Development Authority have reviewed and are supportive of this proposed agreement. LURA will obligate \$12,500 if the agreement is approved. \$26,000 will be the remaining TIF balance and LURA is estimating an additional \$14,000 in TIF revenue in 2016 (\$40,000 total).

ADJOURN THE LOVELAND URBAN RENEWAL AUTHORITY AND RECONVENE AS THE LOVELAND CITY COUNCIL12. **PUBLIC WORKS** (presenter: Steve Kibler)**2016 FLEET FUEL CONTRACT****A Motion To Award A Contract To Hill Petroleum In The Amount Of \$1,500,000;**

Authorizing The City Manager To Sign The Contract; And Authorizing The Public Works Director To Lock Prices If It Is In The Best Interest Of The City was approved. This is an administrative action to approve a contract with Hill Petroleum for \$1,500,000 (one million five hundred thousand dollars) for diesel and unleaded fuel purchases for various City locations including the City of Loveland Service Center [main fueling center], golf courses, water and wastewater treatment plants, and Fort Collins-Loveland Airport for a period covering February 1, 2016 to February 28, 2017. This authorizes the City Manager to sign the contract and also authorizes the Public Works Director to lock prices if determined to be in the best interest of the City. Budget dollars are available in various departments with the bulk (\$1.4 million) in the Public Works Fleet Management Operations Fund (501-23-261-1902-42030). Should City Council approve this recommended award of contract and fuel prices remain favorable, City staff intends to pursue the price lock in option.

13. PARKS AND RECREATION (presenter: Steve Southard)

GOLF CART PURCHASE AGREEMENT

A Motion To Award A Purchasing Contract For The Purchase Of 150 Electric Golf Cars (Rental Fleet) In An Amount Not To Exceed \$534,044.83 And To Authorize The City Manager To Execute The Contract On Behalf Of The City was approved.

This is an administrative action seeking approval of a motion to award a purchasing contract to Masek Golf Cars of Colorado for a total cost of \$534,044.83, and authorize the City Manager authority to sign the contract. The contract cost is the base bid amount. 150 new electric golf cars are being purchased to replace the current aging rental fleet of 147 golf cars. The existing golf cars have been in use for over 12 years. The 147 existing cars are included in a trade-in package with the successful bidder.

14. CITY MANAGER (presenter: Alan Krcmarik)

NOVEMBER INVESTMENT REPORT

This is an information only item. At the end of November, the City's portfolio had an estimated market value of \$218.8 million, about \$900,000 less than a month ago. Of this amount, USBank held \$191.3 million (including accrued interest) in trust accounts; other funds are held in local government investment pools, in operating accounts at First National Bank, and a few other miscellaneous accounts. Interest rates trended to all-time record lows in 2012-2013 before rising in the second half of 2014. After a sharp drop in January, interest rates have cycled down, up, down, and back up through November. Short-term rates are projected to rise later in 2015 and are dependent upon the actions of the Federal Open Market Committee. City investments are in U.S. Treasury Notes, highly-rated U.S. Agency Bonds, highly-rated corporate bonds, money market accounts, insured certificates of deposit and local government investment pools. The City's investment strategy emphasizes safety of principal, then sufficient liquidity to meet cash needs, and finally, return on investment. Each percent of earnings on the portfolio equates to about \$2.19 million annually.

15. FINANCE (presenter: Brent Worthington)

NOVEMBER FINANCIAL REPORT

This is an information only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending November 30, 2015.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

PUBLIC COMMENT

Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this

time.

Darrin Barrett, Loveland Resident, indicated he did not believe that the train noise should be Council's highest priority.

John Meadors, Loveland Resident, yielded 3 additional minutes to Ms. Lynn.

Stacie Lynne, County resident, asked Council to Dismiss City Manager Bill Cahill. Ms. Lynn indicated her life had been threatened.

Richard Nelson, Arvada resident asked Council to listen to Ms. Lynne.

PROCEDURAL INFORMATION

Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council quorum present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.

REGULAR AGENDA

CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

16. CITY ATTORNEY (presenter: Tami Yellico)

CENTERRA MFA PUBLIC IMPROVEMENTS

City Attorney, Tami Yellico introduced this item to Council. These resolutions are administrative actions to approve the proposed Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement ("MFA") to amend the MFA to designate the public parking structure on Parcel 206 as a Local Improvement and to either impose certain restrictions on the Service District's authority to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54, as set forth in version one of the Amendment, or to eliminate the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54, as set forth in version two of the Amendment. Also present for Council consideration were Ashley Styles and Chad McWhinney from Centerra and Agrium/Crop Production representatives Sheryl Heckel- and Paul Polster. Council Discussion ensued. Councilor McKean proposed the following amendment on section 6.10 of the MFA be amended immediately following 50,000 square feet in size with the addition of the following language: "which is part of a multiple tenant and use project". Mayor opened the public comment on both Resolutions, including the proposed amendment to the MFA. Eric Sutherland, Ft. Collins resident expressed opposition to the resolutions. Loveland Resident Jackie Marsh, indicated there were some outstanding questions.

Councilor Shaffer moved to Adopt Resolution #R-5-2016 A Resolution of the Loveland City Council Approving the Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement as amended. The motion was seconded by Councilor McKean, and carried with all councilors present voting in favor thereof.

CITY COUNCIL ADJOURNED AND CONVENED INTO THE LOVELAND URBAN RURAL AUTHORITY BOARD OF DIRECTORS AT 8:30 P.M.

Councilor Shaffer moved to Adopt Resolution #R-5-2016 A Resolution of the Loveland Urban Renewal Authority Approving the Seventh Amendment to the Centerra Master Financing and Intergovernmental Agreement as amended. The motion was seconded by Councilor McKean, and carried with all councilors present voting in favor thereof.

THE LOVELAND URBAN RURAL AUTHORITY BOARD OF DIRECTORS ADJOURNED AND RE-CONVENED AS CITY COUNCIL AT 8:32 P.M.

17. CITY MANAGER (City Council discussion)

CITY COUNCIL MEETING TIME AND PROCESSES

This is an administrative item placed on the January 5 agenda by “rule of four” at the December 15, 2015 City Council meeting. This is a discussion of measures which may be taken to govern or limit the length of City Council meetings. If the Council desires to set any new rules or limits, they would need to be embodied in a new Resolution to amend (or replace in their entirety) Resolutions R13-98 and R17-2000, which currently govern Council meetings, and which specifically disallow meeting time limits. Council discussion ensued. The Resolution was amended as follows. “City Council regular meetings shall begin at 6 PM and end on or before 10:30 PM, but may be extended by increments of thirty minutes by a voice vote of a majority of Council members present.” “That this Resolution shall be effective as of the date and time of its adoption and remain in effect through the first regular meeting of January, 2018.”

Councilor Ball moved to approve Resolution #R-7-2016 amending Resolutions No. 17-2000 Concerning the Rules of Procedure for the City Council of the City of Loveland, CO. The motion, seconded by Councilor McKean, carried with six councilors voting in favor and Councilor Shaffer and Gutierrez voting against.

BUSINESS FROM CITY COUNCIL

This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.

Shaffer	Indicate the NI25 meeting would be in Weld Council on Wed, January 6, 2016; MPO would be meeting on Thursday January 7, 2016
McKean	Asked if Council would support for a letter to President Obama regarding his recent executive order on firearms.
Johnson	Attended the Library new brand activities.
Overcash	Asked for clarification regarding the city's snow removal policies

CITY MANAGER REPORT

Cahill	Council Retreat is scheduled for January 23, 2015 at Group Publishing; Council meeting with the Police Chief Recruiter on January 8 from 11:30 to 2:30.
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CITY ATTORNEY REPORT

Councilor Shaffer announced that past City resident and attorney, Mark Robert Shaffer passed away on December 27, 2015.

ADJOURN

Mayor Gutierrez, after hearing no further business adjourned the January 5, 2016 Regular meeting at 9:50 p.m.

Respectfully submitted,

Teresa G. Andrews, City Clerk

Cecil A. Gutierrez, Mayor



CITY OF LOVELAND
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 2
MEETING DATE: 1/19/2016
TO: City Council
FROM: City Manager's Office
PRESENTER: Bill Cahill, City Manager

TITLE:
 Appointments to the Police Citizen Advisory Board

RECOMMENDED CITY COUNCIL ACTION:

1. Adopt a motion to appoint Mark Kirkpatrick to the Police Citizen Advisory Board for a partial term effective until December 31, 2016.
2. Adopt a motion to reappoint Beverly Cardarelli to the Police Citizen Advisory Board for a term effective until December 31, 2018.
3. Adopt a motion to reappoint Tony Adams to the Police Citizen Advisory Board for a term effective until December 31, 2018.
4. Adopt a motion to reappoint Dennis Soucek to the Police Citizen Advisory Board for a term effective until December 31, 2018.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.

SUMMARY:

This is an administrative item appointing members to the Police Citizen Advisory Board.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

Swain Skeen resigned from the Police Citizen Advisory Board in September, 2015. Mark Kirkpatrick has served as an alternate member for two years. The interview committee recommends appointing Mark Kirkpatrick to the Police Citizen Advisory Board for a partial term effective until December 31, 2016.

During the Fall recruiting cycle, three vacancies on the Police Citizen Advisory Board resulted in applications from the three incumbents. Interviews were held January 4, 2016 and the committee recommends reappointing Beverly Cardarelli, Tony Adams and Dennis Soucek to the commission, each for a term effective until December 31, 2018.

REVIEWED BY CITY MANAGER:

William D. Cahill



CITY OF LOVELAND
DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
 (970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM:	3
MEETING DATE:	1/19/2016
TO:	City Council
FROM:	Bob Paulsen, Development Services Department
PRESENTER:	Bob Paulsen, Acting Director

TITLE:

An Ordinance Repealing Titles 16, 17, 18 and 19 of the Loveland Municipal Code and Reenacting and Adopting the Same by Reference

RECOMMENDED CITY COUNCIL ACTION:

Conduct a public hearing and adopt the Ordinance on second reading by reference.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action. Denial of this recommendation would leave the municipal code unchanged, precluding the addition of numerous updates, clarifications and procedures designed to facilitate a clearer and smoother development review process.
3. Adopt a modified action. The Council may decide to modify one or more portions of the amendments; adjustments may necessitate a continuance.
4. Refer back to staff for further development and consideration. If referred back to staff, further review by the Title 18 Committee and the Planning Commission would result in several months of delay.

SUMMARY:

This is a legislative action that was unanimously approved on first reading on December 15, 2015 as part of the consent agenda. The primary focus of the amendments is to establish procedures and requirements for the processing of development review applications, including subdivision, annexation and zoning-related applications. The heart of this effort includes two primary components:

1. New chapter 18.39 - Development Application Process and Procedures
2. Expanded chapter 18.46 - Site Development Plan Requirements and Procedures

In addition to the main procedural amendments, the amendments include clarifications and adjustments to portions of each of the four titles. The proposed code amendments are the same as the amendments presented at the City Council study session on November 10, 2015. No concerns were expressed as to the content of the amendments at the study session.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

The above referenced two chapters of the zoning code establish a common framework for the review of development applications. The framework provides a clear and standardized approach that can be adjusted to accommodate variations based on project size, complexity and site conditions. These procedural additions reflect practices developed and refined by the development review team over the last several years to simplify and speed up the development review process, and to align the process more closely with the sequence of land development.

The amendments reflect a lengthy review effort by the Title 18 Committee and incorporate the perspectives of the local development community, the City Engineer, the development review team as well as direct involvement from the City Attorney's office.

The Planning Commission has also played a very important role in providing specific direction and review. A lengthy study session was conducted by the Commission in the fall of 2014 and the amendments were subsequently approved unanimously by the Commission in public hearing on November 24, 2015.

Most of the adjustments are relatively minor and do not substantively change the code. With these clarifications, a concerted effort has been made to eliminate unnecessary and out-of-date requirements that clutter the code. Code adjustments also establish consistent style conventions in the four titles, including the formatting of definitions, capitalization and the use of common terms.

Due to the volume of the amendments, the ordinance specifies that the code provisions be adopted by reference rather than by the conventional practice of publishing the amendments in their entirety in the newspaper. Publication of the full amendment package would be cumbersome and costly. As an alternative, the code revisions are posted on the Current Planning and Library web pages of the City's website. The following link is provided to give convenient access to the code revisions: <http://www.cityofloveland.org/Modules>ShowDocument.aspx?documentid=28037>

The link above provides access to the final, clean version of the amendments that has been developed for second reading. This material, provided to Council for second reading, incorporates all changes identified in the redline version provided in the 3-ring binders that were distributed to Council in advance of first reading on December 15, 2015. Those wishing to review the redline version of the amendments as presented to Council at first reading can use the link below:

<http://www.cityofloveland.org/Modules>ShowDocument.aspx?documentID=27617>

The process for adoption of code provisions by reference is allowed by State Statute and requires that the public hearing be conducted at second reading. Notice for the public hearing has included two newspaper notices that provide clear guidance for public access to the code revisions.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. [Link to first reading Ordinance and Attachments](#) Item 6
2. [Link to the Final \(clean\) version of the code provisions](#) with all changes incorporated



CITY OF LOVELAND
DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
 (970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM:	4
MEETING DATE:	1/19/2016
TO:	City Council
FROM:	Alan Krcmarik, Development Services
PRESENTER:	Alan Krcmarik, Executive Fiscal Advisor

TITLE:

An Ordinance Amending Ordinance No. 4519 And Ordinance No. 5245, Reducing The Principal Amount Of The Assessments And The Rate Of Interest Payable On Installments Of Assessments In Special Improvement District No. 1; Ratifying Action Previously Taken By City Officers In Connection Therewith; And Providing For Other Matters Related Thereto

RECOMMENDED CITY COUNCIL ACTION:

Adopt the Ordinance on Second Reading.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action. If the action is denied the debt service savings will not pass through to the assessment payers.
3. Adopt a modified action. Council could propose a different (only lower) level of savings to the assessment payers. A higher level of savings is precluded by the terms of sale to the bond holder. The bond holder requires a certain level of debt service coverage which has been used to determine the recommended level of reduction of principal and interest of the assessments.
4. Refer back to staff for further development and consideration. Council could delay the action for more analysis. This would mean that the 2016 assessment payments would be mailed with the currently established level of assessments. This would prevent the savings of the bond refunding from being passed along to the assessment payers.

SUMMARY:

This is an administrative action. The City of Loveland recently completed the refunding of its Special Improvement District No. 1 (Series 2007) revenue bonds. Through the refunding, the interest rate on the bonds was lowered from 5.625% to 3.90%. The bonds were sold to FirstBank. Due to the refunding, the total amount of debt service to be paid on the new refunding bonds will be lower than the refunded bonds. Some of the savings may be passed along to the property owners that are subject to the specials assessments. The proposed Ordinance provides for the reduction in the assessments. The reduction in the principal amount assessments will be about \$670,400 or about 11.5 percent lower than the prior assessments. On January 5, 2016, City Council unanimously approved this ordinance on first reading.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

On November 17, 2015, City Council adopted an ordinance that allowed the refunding of the 2007 Special Improvement District No. 1 Revenue Bonds. Staff has completed the process of the refunding and through the Ordinance now being recommended, the assessments on the properties in the District can be reduced.

The bonds market interest rates at the time of the second reading of the refunding ordinance indicated that an interest rate of 4.25% would be achieved. Through negotiations coordinated by George K. Baum & Company, an interest rate of 3.90% was set; the buyer of the bonds was First Bank, is located in Denver Colorado.

Historically, the Special Improvement District No. 1 bonds go back to the year 2000. The City of Loveland, through the adoption of Ordinance No. 4518 on March 21, 2000, issued \$13,280,000 of special assessment bonds for the Special Improvement No. 1 Project. In 2007 through Ordinance 5204, The City issued refunding bonds to lower the interest rates and to correspondingly lower special assessments paid by landowners in the special assessment district. The proceeds of the original bonds funded improvements in the project area, including grading, streets, curbs, gutters, sidewalks, storm drainage facilities, and other improvements necessary to develop the site.

When issued in 2000, the original bonds carried interest rates of 7.50%. When refinanced in 2007, the rate was lowered to 5.625%. In today's market, the investment banking firm of George K. Baum & Company projected interest rates in the 4.25% range. The actual rate is 3.90%. Savings on the bond payments would allow the City to reduce the corresponding special assessments on the properties within the district. The billing notices for the Special Improvement District No. 1 go out in January. If Council approves this Ordinance, the January billings will have the lower payments amounts incorporated.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

[Link to the Ordinance](#) Item 7



AGENDA ITEM: 5
MEETING DATE: 1/19/2016
TO: City Council
FROM: Robert Paulsen, Development Services
PRESENTER: Troy Bliss, Senior Planner

TITLE:

1. An Ordinance Vacating An Easement Located Within Lots 4 And 5, Replat Of Tract "G" Of Orchards Addition, City Of Loveland, County Of Larimer, State Of Colorado
2. An Ordinance Vacating A Portion Of A Reciprocal Private Access, Utility And Drainage Easement Located Within Lot 2, Block 1 Of The Orchards Thirteenth Subdivision, City Of Loveland, County Of Larimer, State Of Colorado

RECOMMENDED CITY COUNCIL ACTION:

Adopt the ordinances as presented.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action. If the easements do not get vacated, the ability to redevelop the site to the extent proposed would be impacted. Essentially the proposed building size would need to be reduced in order to be located outside of the easements.
3. Adopt a modified action (specify in the motion).
4. Refer back to staff for further development and consideration. Given the nature of the project, there would be no alternative that City staff could offer in-lieu of vacating the easements for further consideration of the Petco redevelopment proposal.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

SUMMARY:

This is a legislative action to adopt two associated ordinances, on first reading, vacating easements within the Orchards Addition and Orchards Thirteenth Subdivision – located east of N. Garfield Avenue and north of E. 29th Street. This item is associated with plans to locate a Petco retail store in the Orchards Shopping Center. A small private access, drainage, and utility easement is of no consequence to the City because it is private and includes no public utilities. A larger, triangular shaped easement, however, contains public utilities. In order to vacate this triangular-shaped easement, a new easement will be dedicated and utilities rerouted. The new easement will be dedicated through separate development applications associated with the Petco project which is currently undergoing special review. Staff is recommending approval of both vacation requests.

BACKGROUND:

The proposed Petco store is for vacant portions of the northern most building directly attached to and east of the King Soopers grocery store within the Orchards Shopping Center. The redevelopment of the building requires adjustments to existing easements because the proposed building is increasing in size and would encroach into the existing easement.

On December 23, 2015, Current Planning issued findings for approval of the Special Review associated with the Petco redevelopment. The appeal period for the Special Review expires on January 18, 2016. Due to the unfinished status of the Special Review process, the ordinances now before City Council have been prepared with the condition that the Petco at Orchards Shopping Center Major Modification to Special Review #311 obtain approval prior to ordinances taking effect.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Ordinances
2. Staff Memorandum, dated January 19, 2016

FIRST READING: January 19, 2016
SECOND READING: _____

ORDINANCE NO. _____

**AN ORDINANCE VACATING AN EASEMENT LOCATED WITHIN LOTS 4 AND 5,
REPLAT OF TRACT "G" OF ORCHARDS ADDITION, CITY OF LOVELAND,
COUNTY OF LARIMER, STATE OF COLORADO**

WHEREAS, the City Council, at a regularly scheduled meeting, considered the vacation of the easement described below and located within Lots 4 and 5, Replat of Tract "G" of Orchards Addition, City of Loveland, County of Larimer, State of Colorado; and

WHEREAS, the City Council finds and determines that no land adjoining any easement to be vacated will be left without an established public or private easement connecting said land with another established public or private easement; and

WHEREAS, the City Council finds and determines that the portion of the easement to be vacated is no longer necessary for the public use and convenience; and

WHEREAS, the City Council further finds and determines that the application filed at the City's Current Planning Division was signed by the owners of more than fifty percent of property abutting the easement to be vacated.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby adopts and makes the findings set forth above.

Section 2. That, based on such findings, the following described easement be and the same is hereby vacated:

That certain Easement as filed for record April 20, 1999 in the real property records of the Office of the Clerk and Recorder of Larimer County, Colorado at Reception No. 99033657, located upon Lots 4 and 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION, to the City of Loveland, County of Larimer, State of Colorado, situate in the Southwest Quarter of the Southwest Quarter of Section 1, Township 5 North, Range 69 West of the 6th P.M., County of Larimer, State of Colorado and being more particularly described as follows:

Considering the North line of said Lot 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION as bearing North 89°40'13" West and with all bearings contained herein relative thereto:

Beginning at the Northeast corner of said Lot 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION; thence along the North line of said Lot 5, REPLAT OF

TRACT "G" OF ORCHARDS ADDITION North 89°40'13" West 431.00 feet; thence departing said North line of said Lot 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION South 00°19'47" West 5.42 feet to the centerline of a Ten (10) Foot wide Easement (said Ten (10) Foot wide Easement being Five (5) Feet on each side of the described centerline and the sidelines of said easement shall be lengthened or shortened to terminate at points of intersection) as described in said Reception No. 99033657 and the TRUE POINT OF BEGINNING; thence along said centerline of a said Ten (10) Foot wide Easement the following six (6) courses and distances: 1) South 67°49'17" West 92.19 feet; 2) South 06°18'45" West 69.30 feet; 3) North 53°32'54" East 29.60 feet; 4) North 89°25'27" East 157.78 feet; 5) North 08°34'45" West 26.07 feet; 6) North 55°15'55" West 103.07 feet, more or less, to the TRUE POINT OF BEGINNING, being the terminus of said centerline of a said Ten (10) Foot wide Easement.

Containing 4,780.1 Square Feet, more or less.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

Section 4. That the City Clerk is hereby directed to record this Ordinance with the Larimer County Clerk and Records after its effective date in accordance with State Statutes

ADOPTED this ____ day of February, 2016.

CITY OF LOVELAND, COLORADO:

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Alison Garcia
Assistant City Attorney

AN ORDINANCE VACATING AN EASEMENT LOCATED WITHIN LOTS 4 AND 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION, CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

FIRST READING: January 19, 2016
SECOND READING: _____

ORDINANCE NO. _____

**AN ORDINANCE VACATING A PORTION OF A RECIPROCAL PRIVATE ACCESS,
UTILITY AND DRAINAGE EASEMENT LOCATED WITHIN LOT 2, BLOCK 1 OF
THE ORCHARDS THIRTEENTH SUBDIVISION, CITY OF LOVELAND, COUNTY OF
LARIMER, STATE OF COLORADO**

WHEREAS, the City Council, at a regularly scheduled meeting, considered the vacation of a portion of the reciprocal private access, utility and drainage easement described below and located within Lot 2, Block 1 of the Orchards Thirteenth Subdivision, City of Loveland, County of Larimer, State of Colorado (the "Property"); and

WHEREAS, the City Council finds and determines no land adjoining any easement to be vacated will be left without an established public or private easement connecting said land with another established public or private easement is inapplicable; and

WHEREAS, the City Council finds and determines that the easement to be vacated is no longer necessary for the public use and convenience; and

WHEREAS, the City Council further finds and determines that the application filed at the City's Current Planning Division was signed by the owners of more than fifty percent of property abutting the easement to be vacated.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby adopts and makes the findings set forth above.

Section 2. That, based on such findings, and subject to the condition set forth in Section 3. below, the following reciprocal private access, utility and drainage easement be and the same is hereby vacated:

That portion of that certain Reciprocal Private Access, Utility and Drainage Easement as filed for record May 17, 2001 in the real property records of the Office of the Clerk and Recorder of Larimer County, Colorado at Reception No. 2001037597, located upon Lot 2, Block 1, ORCHARDS THIRTEENTH SUBDIVISION, to the City of Loveland, County of Larimer, State of Colorado, situate in the Southwest Quarter of the Southwest Quarter of Section 1, Township 5 North, Range 69 West of the 6th P.M., County of Larimer, State of Colorado and being more particularly described as follows:

Considering the East line of said Lot 2, Block 1, ORCHARDS THIRTEENTH SUBDIVISION as bearing North 01°21'04" East and with all bearings contained herein relative thereto:

Beginning at the Southeast corner of said Lot 2, Block 1, ORCHARDS THIRTEENTH SUBDIVISION; thence along the South line of said Lot 2, Block 1, ORCHARDS THIRTEENTH SUBDIVISION South 89°40'07" East 91.69 feet, more or less, to the Southwest corner of said Reciprocal Private Access, Utility and Drainage Easement as described in said Reception No. 2001037597; thence departing said South line of said Lot 2, Block 1, ORCHARDS THIRTEENTH SUBDIVISION and along the West line of said Reciprocal Private Access, Utility and Drainage Easement as described in said Reception No. 2001037597 North 00°20'38" East 29.60 feet to the TRUE POINT OF BEGINNING; thence continuing along said West line of said Reciprocal Private Access, Utility and Drainage Easement as described in said Reception No. 2001037597 North 00°20'38" East 75.00 feet; thence departing said West line of said Reciprocal Private Access, Utility and Drainage Easement as described in said Reception No. 2001037597 South 89°35'59" East 18.20 feet; thence South 00°20'38" West 75.00 feet; thence North 89°35'59" West 18.20 feet to a point on said West line of said Reciprocal Private Access, Utility and Drainage Easement as described in said Reception No. 2001037597 and the TRUE POINT OF BEGINNING.

Containing 1,362.1 Square Feet, more or less.

Section 3. That to assure ongoing provision of any necessary public utilities, the foregoing vacation is subject to the express condition that the City approve the Petco at Orchards Shopping Center Major Modification to Special Review #311 that includes provisions for any necessary public utility easement.

Section 4. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

Section 5. That the City Clerk is hereby directed to record this Ordinance with the Larimer County Clerk and Records after its effective date in accordance with State Statutes

ADOPTED this ____ day of February, 2016.

CITY OF LOVELAND, COLORADO:

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Luis Garcia
Assistant City Attorney

AN ORDINANCE VACATING A PORTION OF A RECIPROCAL PRIVATE ACCESS, UTILITY AND DRAINAGE EASEMENT LOCATED WITHIN LOT 2, BLOCK 1 OF THE ORCHARDS THIRTEENTH SUBDIVISION, CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO



Development Services Current Planning

500 East Third Street, Suite 310 • Loveland, CO 80537
(970) 962-2523 • Fax (970) 962-2945 • TDD (970) 962-2620
www.cityofloveland.org

MEMORANDUM

TO: City Council

FROM: Troy Bliss, Senior Planner, Current Planning Division

DATE: January 19, 2016

SUBJECT: Orchards Addition and Orchards Thirteenth Subdivision – Vacation of Easements (PZ#15-00230)

I. EXHIBITS

- A. Easement Legal Descriptions and Exhibits
- B. Proposed Replat Illustrating Existing Easements (for reference purposes only)

II. KEY ISSUES

Staff believes that all key issues regarding the vacations have been resolved through the staff review process. As required by the Municipal Code when vacating easements, all of the property owners abutting the easements to be vacated have agreed to and are in support of the request.

III. BACKGROUND

The applications to vacate easements is primarily prompted by an overall redevelopment plan for a Petco retail pet store in the Orchards Shopping Center generally located east of N. Garfield Avenue and north of E. 29th Street. However, a small (1,300 square foot private access, utility, and drainage) easement in a separate location from the proposed Petco site is included with this request. This is being done for purposes of cleaning up encumbrances with a new replat of the property (see **Exhibit B**). These vacations are a component to the overall project and would not guarantee redevelopment. This is because consideration first needs to be given to the vacation request in order to continue processing and ultimately approve associated development applications including a Special Review/Site Development Plan, Public Improvement Construction Plans, and a Lot Merger. Additionally, these development applications must be approved before any redevelopment could occur. Consequently, City staff believes that any

approval of this vacation should be conditioned upon approval of the associated development applications and applicable permits being issued.

IV. VICINITY MAP



V. VACATION

Two (2) ordinances have been prepared for conditional approval of the vacation request, reflecting the recommendation of City staff. The conditions of approval are outlined in Section 3 of the vacation ordinances as follows:

- That to assure ongoing provision of any necessary public utilities, the foregoing vacation is subject to the express condition that the City approve the Petco at Orchards Shopping Center Major Modification to Special Review #311 that includes provisions for any necessary public utility easement.

Agencies outside of the City which provide utility services including Century Link, Comcast, and Xcel Energy were referred this vacation request. No concerns have been voiced by these agencies as their utilities are not located within the associated easements.

VI. RECOMMENDATION

Staff recommends, subject to any further information that may be presented at the public hearing, that City Council adopt the ordinances on first reading.

REPLAT OF TRACT "G", ORCHARDS ADDITION EASEMENT VACATION EXHIBIT MAP

EXHIBIT 'B'

BEING A PORTION OF LOTS 4 AND 5, REPLAT OF TRACT "G", ORCHARDS ADDITION, SITUATE IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

10' Utility Easement Per The
REPLAT OF TRACT "G" OF
ORCHARDS ADDITION To Remain
20' PSCO Utility Easement
Per Reception No. 87003865

NE COR.
TRACT G

NOTE: THIS DRAWING DOES NOT
REPRESENT MONUMENTED FIELD
SURVEY OF THE SUBJECT PROPERTY
FOR EASEMENT VACATION AREA. IT IS
INTENDED TO ONLY DEPICT THE
SUBJECT PROPERTY DESCRIPTION FOR
THE EASEMENT VACATION AREA.

PROPERTY OWNER:

WATERBURY ORCHARDS, LLC
1801 Oakland Boulevard Suite 310
Walnut Creek, California 94596

Date of Initial Preparation:
December 3, 2015

Project No.: P-15-7854
Drawn: RGP

PREPARED BY AND ON BEHALF OF:

INTERMILL LAND SURVEYING, INC.
1301 North Cleveland Avenue
Loveland, Colorado 80537

P: (970) 669-0516
F: (970) 635-9775
E: intermill@qwestoffice.net

Robert George Persichitte
Colorado PLS 34174

ORIGINAL SCALE: 1" = 30'

NORTH LINCOLN AVENUE

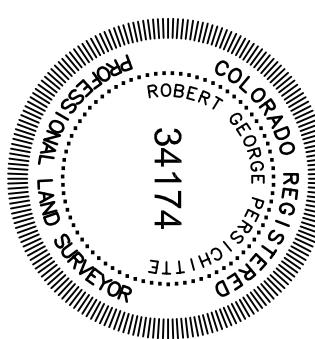
LOT 4,
REPLAT OF TRACT "G",
ORCHARDS ADDITION

LOT 5,
REPLAT OF TRACT "G",
ORCHARDS ADDITION

STATEMENT OF LINEAR UNITS USED: Linear Units Used for this Exhibit Map – U.S. Survey Feet

BASIS OF BEARINGS STATEMENT: Basis of Bearings for this Exhibit Map are based on an assumed bearing of North 89°40'13" West on the North line of Tract "G", Plat of ORCHARDS ADDITION to the City of Loveland, County of Larimer, State of Colorado.

According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.



REPLAT OF TRACT "G", ORCHARDS ADDITION EASEMENT VACATION EXHIBIT MAP

EXHIBIT 'C'

BEING A PORTION OF LOTS 4 AND 5, REPLAT OF TRACT "G", ORCHARDS ADDITION, SITUATE IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

10' Utility Easement Per The
REPLAT OF TRACT "G" OF
ORCHARDS ADDITION To Remain

20' PSCO Utility Easement
Per Reception No. 87003865

NE COR.
TRACT G

Electric Paint Markings
(Located By Others)

PROPERTY OWNER:
WATERBURY ORCHARDS, LLC
1801 Oakland Boulevard Suite 310
Walnut Creek, California 94596

Telephone pedestal
Grated Inlet
S00°19'47"W
5.42'
N89°40'13"W 431.00' (nts)
S67°49'17"N
92.19'
TROB
Electric Vault
Electric Paint Markings
(Located By Others)
Fire Hydrant
W

PREPARED BY AND ON BEHALF OF:
INTERMILL LAND SURVEYING, INC.
1301 North Cleveland Avenue
Loveland, Colorado 80537
P: (970) 669-0516
F: (970) 635-9775
E: intermill@qwestoffice.net
Robert George Persichitte
Colorado PLS 34174

Date of Initial Preparation:
December 3, 2015
Project No.: P-15-7854
Drawn: RGP

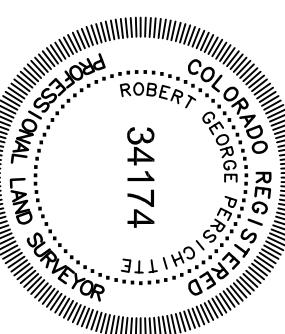
NOTE: THIS DRAWING DOES NOT
REPRESENT MONUMENTED FIELD
SURVEY OF THE SUBJECT PROPERTY
FOR EASEMENT VACATION AREA. IT IS
INTENDED TO ONLY DEPICT THE
SUBJECT PROPERTY DESCRIPTION FOR
THE EASEMENT VACATION AREA.

EXISTING
BLOCK BUILDING

REPLAT OF TRACT "G",
ORCHARDS ADDITION

EXISTING
BLOCK BUILDING

LOT 4,
REPLAT OF TRACT "G",
ORCHARDS ADDITION



ORIGINAL SCALE: 1" = 30'

STATEMENT OF LINEAR UNITS USED: Linear Units Used for this Exhibit Map - U.S. Survey Feet

BASIS OF BEARINGS STATEMENT: Basis of Bearings for this Exhibit Map are based on an assumed bearing of North 89°40'13" West on the North line of Lot 5, REPLAT OF TRACT "G", ADDITION to the City of Loveland, County of Larimer, State of Colorado.

According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

ORCHARDS THIRTEENTH SUBDIVISION EASEMENT VACATION EXHIBIT MAP

BEING A PORTION OF LOT 2, ORCHARDS THIRTEENTH SUBDIVISION, SITUATE IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

NOTE: THIS DRAWING DOES NOT REPRESENT MONUMENTED FIELD SURVEY OF THE SUBJECT PROPERTY FOR EASEMENT VACATION AREA. IT IS INTENDED TO ONLY DEPICT THE SUBJECT PROPERTY DESCRIPTION FOR THE EASEMENT VACATION AREA.

PROPERTY OWNER:
WATERBURY ORCHARDS, LLC
1801 Oakland Boulevard Suite 310
Walnut Creek, California 94596

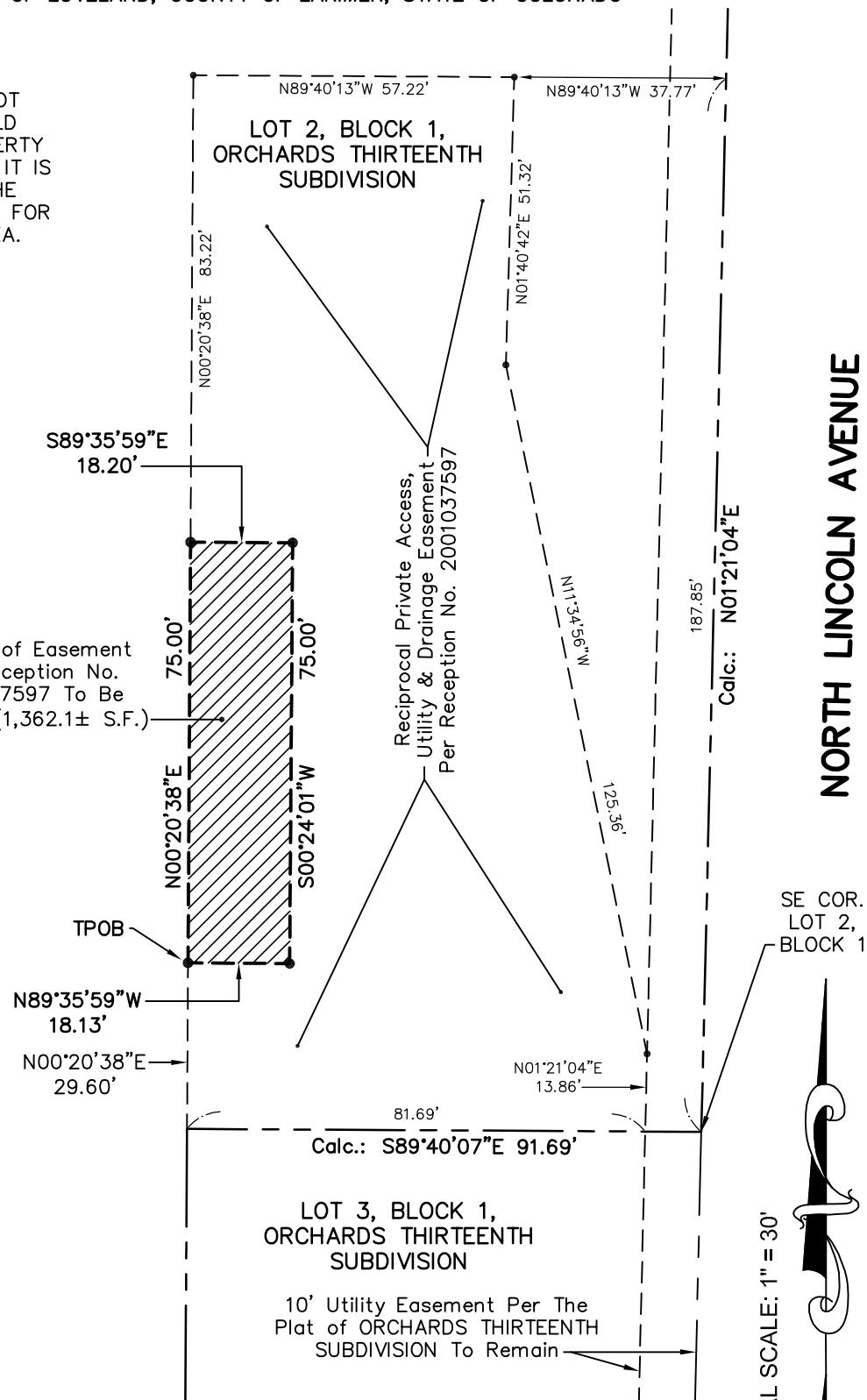
Date of Initial Preparation:
October 28, 2015
Project No.: P-15-7854
Drawn: RGP

Portion of Easement
Per Reception No.
2001037597 To Be
Vacated (1,362.1± S.F.)

PREPARED BY AND ON BEHALF OF:

INTERMILL LAND SURVEYING, INC.
1301 North Cleveland Avenue
Loveland, Colorado 80537
P: (970) 669-0516
F: (970) 635-9775
E: intermill@qwestoffice.net

Robert George Persichitte
Colorado PLS 34174



STATEMENT OF LINEAR UNITS USED: Linear Units Used for this Exhibit Map – U.S. Survey Feet

BASIS OF BEARINGS STATEMENT: Basis of Bearings for this Exhibit Map are based on an assumed bearing of North 01°21'04" East on the East line of Lot 2, Block 1, Plat of ORCHARDS THIRTEENTH SUBDIVISION to the City of Loveland, County of Larimer, State of Colorado.

According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

EXHIBIT 'C'

ORCHARDS THIRTEENTH SUBDIVISION EASEMENT VACATION EXHIBIT MAP

P. 16

BEING A PORTION OF LOT 2, ORCHARDS THIRTEENTH SUBDIVISION, SITUATE IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

NOTE: THIS DRAWING DOES NOT
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SURVEY OF THE SUBJECT PROPERTY
FOR EASEMENT VACATION AREA. IT IS
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THE EASEMENT VACATION AREA.

PROPERTY OWNER:
WATERBURY ORCHARDS, LLC
1801 Oakland Boulevard Suite 310
Walnut Creek, California 94596

Date of Initial Preparation:
October 28, 2015
Project No.: P-15-7854
Drawn: RGP

PREPARED BY AND ON BEHALF OF:

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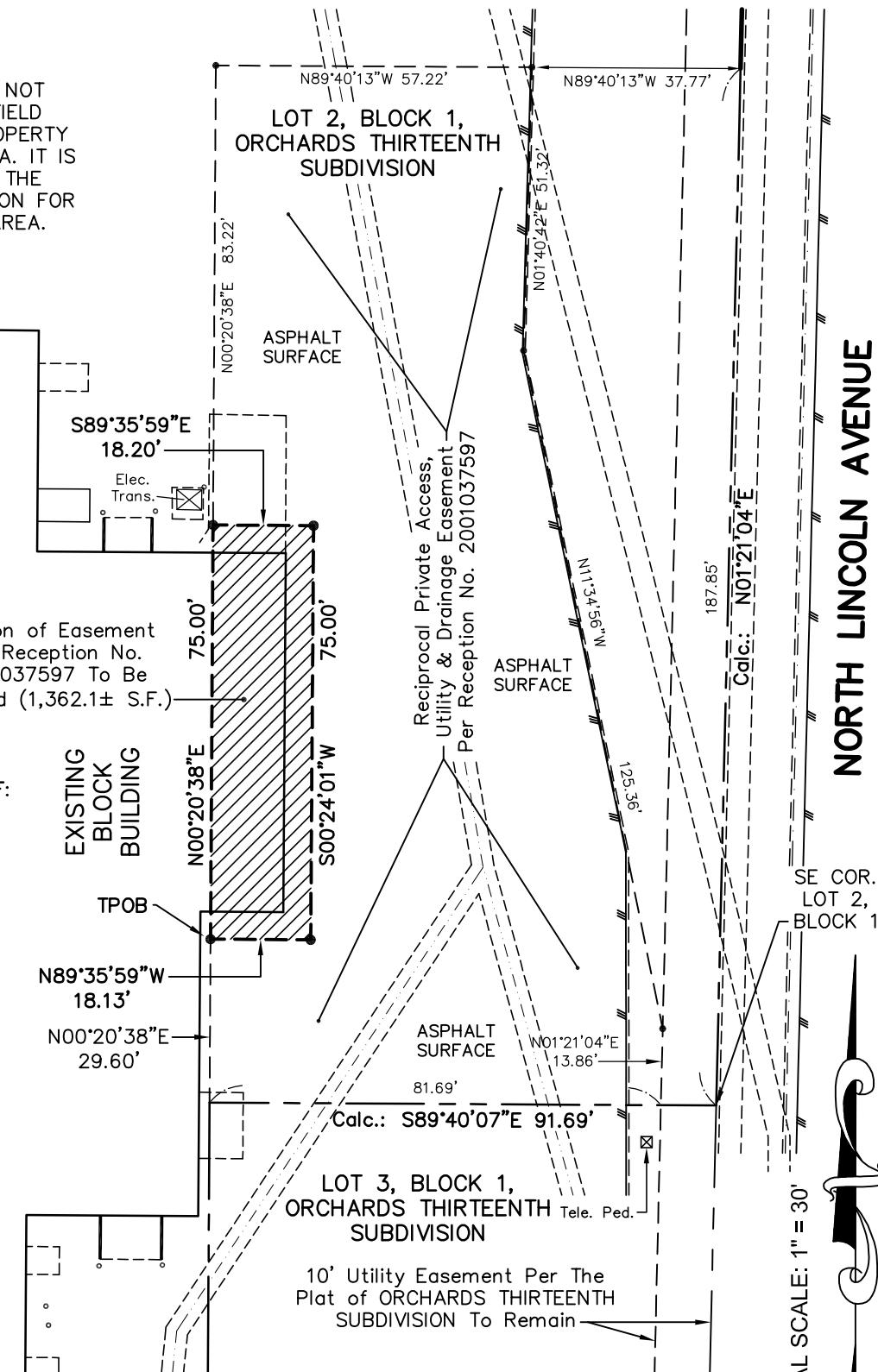
Robert George Persichitte
Colorado PLS 34174



STATEMENT OF LINEAR UNITS USED: Linear Units Used for this Exhibit Map - U.S. Survey Feet

BASIS OF BEARINGS STATEMENT: Basis of Bearings for this Exhibit Map are based on an assumed bearing of North 01°21'04" East on the East line of Lot 2, Block 1, Plat of ORCHARDS THIRTEENTH SUBDIVISION to the City of Loveland, County of Larimer, State of Colorado.

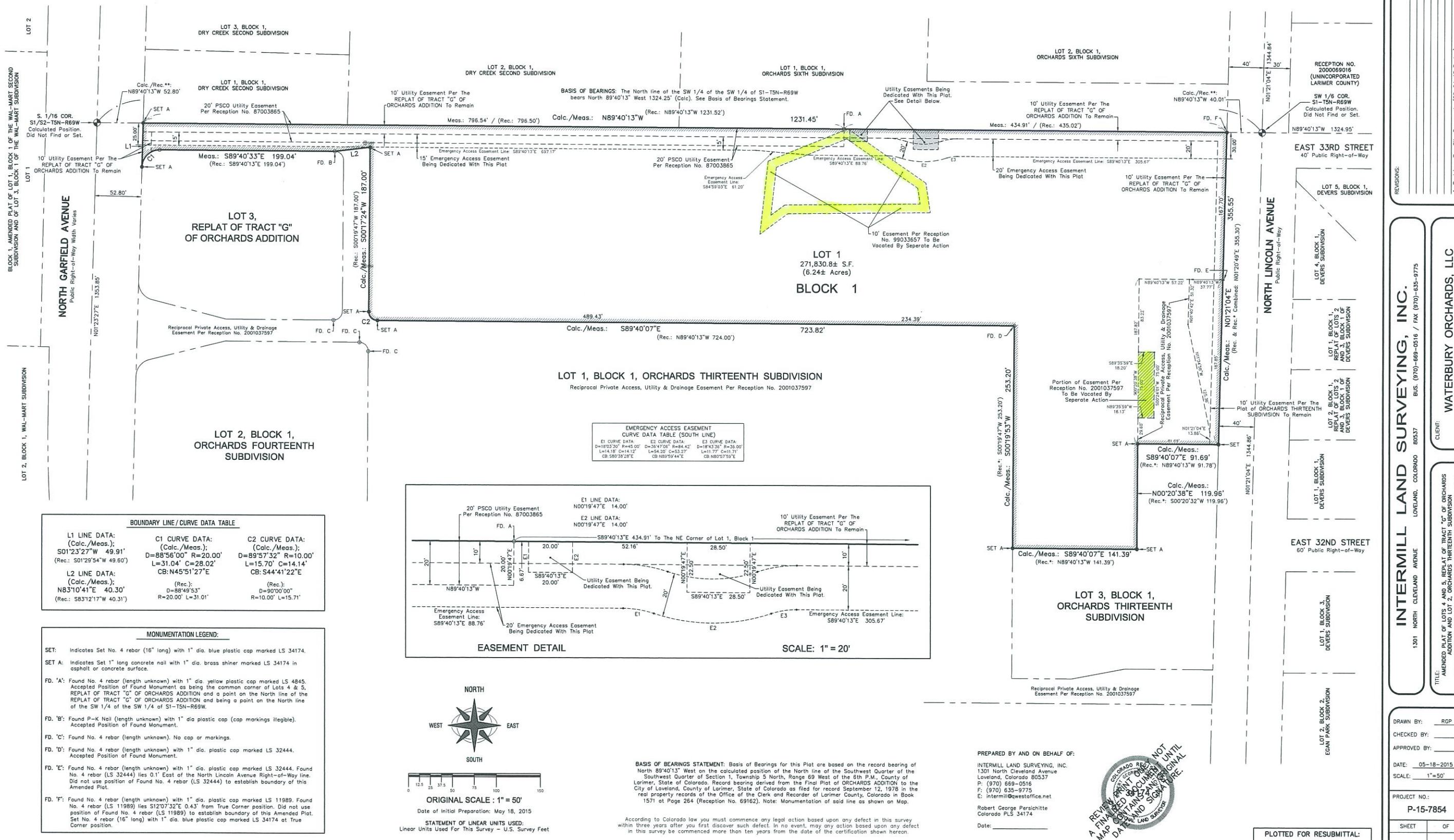
According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.



OR

AMENDED PLAT OF LOTS 4 AND 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION
AND LOT 2, ORCHARDS THIRTEENTH SUBDIVISION

BEING A LOT MERGER OF LOTS 4 AND 5, REPLAT OF TRACT "G" OF ORCHARDS ADDITION AND LOT 2, ORCHARDS THIRTEENTH SUBDIVISION, SITUATE IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO



THE CITY OF LOVELAND

1

111

1. Revisions Per City Comments (03-04-15 Review) _____ RGP _____ 10-15-2015 _____

TO THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

Waterbury\DW9\AP REV 10/315.dwg



CITY OF LOVELAND
DEVELOPMENT SERVICES DEPARTMENT
 Civic Center • 500 East 3rd Street • Loveland, Colorado 80537
 (970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM: 6
MEETING DATE: 1/19/2016
TO: City Council
FROM: Robert Paulsen, Development Services
PRESENTER: Troy Bliss, Current Planning

TITLE:

An Ordinance Granting A Petition For Inclusion Of The West Fifty Feet Of SW Block 34, Everett's Subdivision, City Of Loveland, County Of Larimer Within The Loveland General Improvement District No. 1 In Loveland, Colorado

RECOMMENDED CITY COUNCIL ACTION:

Conduct a hearing and approve the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action. If the action were denied, the applicant would not be able to meet the City's parking standards associated with planned renovations for additional multi-family and professional office uses in an existing downtown building.
3. Refer back to staff for further development review and consideration. If referred back to staff, the ability to move forward with a building permit for renovations would be delayed.

SUMMARY:

This is a legislative action to consider adoption of an ordinance, on first reading, to include the property legally described as the west 50 feet of the southwest portion of Block 34, Everett's Subdivision, City of Loveland, County of Larimer, State of Colorado in the General Improvement District (GID). This property includes an existing two-story building and a single family home. The owner (Charles Salwei) wishes to renovate the two story building generally located at the northeast corner of N. Jefferson Avenue and E. 3rd Street (348 N. Jefferson Avenue) for additional apartment units and office use.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

The City has seen only a few requests for inclusion in the GID. Dating back to 2002, six (6) petitions have been considered, the most recent being in 2008 which was approved by City Council for the property located at the northeast corner of N. Lincoln Avenue and E. 2nd Street.

This inclusion would expand the GID at an appropriate location (i.e. located in downtown and contiguous to existing boundaries). It would add another property to the overall GID, increasing

tax funding to continue maintaining/upgrading public parking and pedestrian facilities. And, it would help facilitate mixed-use development – with the inclusion of new residential units – bringing more people to create a sustainable downtown.

Such uses are permitted by-right in the Be – Established Central Business zoning district but are subject to conformance with all applicable City standards. Given the lack of available on-site parking space, the applicant is petitioning for inclusion into the GID which would offer relief from parking requirements. Inclusion in the GID is based on the following key factors:

- The proposed renovation is considered “mixed-use” development. The GID was established for the purpose of providing parking and pedestrian facilities for non-residential and mixed-use development in the downtown area.
- Inclusion in the GID requires a petition by the property owner for such request. Through this petition, the property owner agrees to have an annual ad valorem real property/personal property taxes applied to the subject property and pay the mill levy assessment in order to maintain and upgrade public parking and pedestrian facilities, and other related expenses financed through the GID. A petition was filed by the property owner on November 17, 2015.
- The property is contiguous to the existing boundaries of the GID, offering a logical opportunity for expansion.

City staff recommends approval of the inclusion of 348 N. Jefferson Avenue into the GID.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Ordinance
2. Staff Memorandum

FIRST READING: January 19, 2016
SECOND READING: _____

ORDINANCE NO. _____

AN ORDINANCE GRANTING A PETITION FOR INCLUSION OF THE WEST FIFTY FEET OF SW BLOCK 34, EVERETTS SUBDIVISION, CITY OF LOVELAND, COUNTY OF LARIMER WITHIN THE LOVELAND GENERAL IMPROVEMENT DISTRICT NO. 1 IN LOVELAND, COLORADO

WHEREAS, on November 17, 2015, the City Clerk received a verified petition from Buchanan Holdings, LLC, a Colorado limited liability company (“Petitioner”), the owner of the following described real property also known as 348 North Jefferson Avenue (“Property”), seeking the inclusion of said Property within the Loveland General Improvement District No. 1 (“GID”):

West fifty feet of SW Block 34, Everettts Subdivision, City of Loveland, County of Larimer, Colorado; and

WHEREAS, the Petitioners have deposited with the City Clerk a sum of money sufficient to pay the costs of the inclusion proceedings; and

WHEREAS, pursuant to Colorado Revised Statute Section 31-25-618 the City Clerk, ex officio secretary to the board of directors of the GID, has caused notice of filing of the petition to be given and published in the Loveland Reporter-Herald, a newspaper of general circulation in the GID, pursuant to the requirements of such section; and

WHEREAS, pursuant to such section, the board of directors of the GID conducted a public hearing on January 19, 2016 concerning the inclusion of the Property in the GID; and

WHEREAS, the board of directors of the GID has determined that the allegations of the petition are true; that the Petitioners are the owners of the Property to be included in the GID; and that it would be in the best interests of the GID to include the Property within the GID.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO, ex officio board of directors of the Loveland General Improvement District No. 1 in Loveland, Colorado:

Section 1. The Property is hereby included in the Loveland General Improvement District No. 1 in Loveland, Colorado.

Section 2. The secretary to the board of directors shall file a certified copy of this ordinance with the clerk and recorder of Larimer County.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance

has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

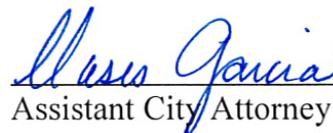
Signed this _____ day of February, 2016.

Mayor, ex officio, President
Board of Directors
General Improvement District No. 1
Loveland, Colorado

ATTEST:

City Clerk, ex officio, Secretary
Board of Directors
General Improvement District No. 1
Loveland, Colorado

APPROVED AS TO FORM:



Assistant City Attorney



**Development Services
Current Planning**

500 East Third Street, Suite 310 • Loveland, CO 80537
(970) 962-2523 • Fax (970) 962-2945 • TDD (970) 962-2620
www.cityofloveland.org

MEMORANDUM

TO: City Council

FROM: Troy Bliss, Senior Planner, Current Planning Division

DATE: January 19, 2016

SUBJECT: Petition for Inclusion into the General Improvement District No. 1 (GID)

I. EXHIBITS

- A. Signed Petition from Charles Salwei dated November 17, 2015
- B. Proposed Site Plan Parking Analysis (provided by applicant)
- C. Map of the Current GID Boundaries

II. KEY ISSUES

In consideration of this request for including the property at 348 N. Jefferson Avenue into the GID, no issues have been identified by city staff. Notification of this petition for inclusion in the GID was published in the *Reporter Herald* as required by Colorado State Statutes. No correspondence has been received from citizens regarding this request.

III. BACKGROUND

The subject property at the northeast corner of N. Jefferson Avenue and E. 3rd Street has a single-story three (3) bedroom home and a two-story block building of approximately 4,000 square feet in size. Both structures are located on a single lot. In terms of inclusion into the GID and renovations, the focus is on the two-story block building. Over the years this building has been used as multi-family, art studios, and offices. The owner (Charles Salwei) wishes to renovate the building, primarily for multi-family and live/work uses with the inclusion of a single office space on the first floor. Because this request is highly focused around parking, an analysis was performed by city staff regarding the parking availability on-site, along N. Jefferson Avenue and along other streets within proximity to the site.

On-site Parking

The only available area on-site for parking is located at the north end of the building off an existing alley and could accommodate four (4) standard parking spaces (see **Exhibit B**). Based upon the current proposal, the renovation would fall short of supplying the required on-site parking by fourteen (14) spaces. However, based upon the analysis below regarding surrounding street parking, City staff believes that there will be sufficient available parking for the project and existing businesses.

N. Jefferson Avenue Parking (Parallel Striped Parking)

There would be a total of six (6) parking spaces fronting the property along N. Jefferson (directly abutting the site). Directly north of the site is a church with five (5) parking spaces fronting along N. Jefferson Avenue. On the opposite side of N. Jefferson Avenue, there are a total of ten (10) parking spaces. All parking along N. Jefferson Avenue is public 2-hour parking between 7:00 a.m. and 7:00 p.m. There is no restriction on overnight parking.

Other Public Street Parking

Parking stalls are angled and striped on both sides of E. 3rd Street between N. Jefferson Avenue and N. Lincoln Avenue. There are twenty (20) 2-hour public spaces available. Again, no restriction on overnight parking. Along E. 3rd Street between N. Jefferson Avenue and N. Washington Avenue, parallel public parking is permitted on both sides of the street but is not striped. The character of the street being more residential (single-family), rather than the typical downtown business area. Unless otherwise signed, parking along a street (typical for residential streets) within the right-of-way is permitted for licensed passenger vehicles for a period of seventy-two (72) hours without having to move the vehicle. Along both sides of E. 4th Street between N. Lincoln Avenue and N. Washington Avenue is all angled striped business parking totaling approximately fifty (50) spaces.

Within proximity to the site, there are approximately 100 public parking spaces (more if including the residential strip along E. 3rd Street). While this parking is not reserved and available to everyone, most of the surrounding uses benefit from already being in the GID – sharing available street parking. The subject property and a church (located at the southeast corner of N. Jefferson Avenue and E. 3rd Street) are the only “mixed-use” or nonresidential uses no located in the GID (see **Exhibit C**). While it is not guaranteed there will always be available street parking, observations and the nature of business and residential uses downtown suggests that most of the time, there will be available parking. Additionally, recent parking studies of downtown projects including ArtSpace and the Gallery Flats, provide parking at around one (1) space per dwelling unit. This of course is very typical of downtown urban areas where residents tend to have less vehicles due to the available conveniences nearby.

Certainly, there are benefits of being included in the GID as it relates to parking from a developer perspective. In terms of seeking inclusion into the GID, the lack of available on-site parking is not however the only reason or justification for this request. The proposed renovation would be for “mixed-use” development that the GID was established to serve. The property is contiguous to the existing boundaries of the GID, creating an appropriate nexus for expansion. It is surrounded by “mixed-use” and non-residential uses, located within the City’s Be – Established Business

zoning district – creating a compatible land use pattern. And, the owner is agreeing (by way of the signed petition) to have additional property taxes added for participation in maintaining and upgrading public parking and pedestrian facilities in downtown.

IV. VICINITY MAP



V. GENERAL IMPROVEMENT DISTRICT NO. 1 (GID)

City Council has not been presented with many requests for inclusion of properties in the GID. Dating back to 2002, only six (6) requests have been considered. Most of the requests for previous GID inclusions were prompted by development proposals or change in use including the Lincoln Place Building, the Mortgage Office located at the northeast corner of N. Washington Avenue and E. 4th Street, a restaurant located between N. Lincoln Avenue and N. Jefferson Avenue on the north side of E. 6th Street, and the Friendly Pawn Shop at the northeast corner of N. Lincoln Avenue and

E. 2nd Street. This request by Mr. Charles Salwei is in keeping with the nature of previous requests, particularly when considering issues related to parking.

VI. RECOMMENDATION

Staff recommends, subject to any further information that may be presented at the public hearing, that City Council adopt the ordinance on first reading.

**PETITION FOR INCLUSION IN THE GENERAL IMPROVEMENT DISTRICT (GID)
NO. 1**

To the City Council of the City of Loveland, Colorado:

The undersigned do hereby petition for inclusion into the General Improvement District No. 1 for the following described real property, to-wit: **318 NORTH JEFFERSON AVE. WEST 50 FEET**

348 NORTH JEFFERSON AVE. WEST 50 FEET
OF SW, BLOCK 34, EVERETTS SUBDIVISION,
CITY OF LOVELAND, COUNTY OF LARIMER,
STATE OF COLORADO

for inclusion in the General Improvement District No. 1; and that the said City Council consider this petition and amend the boundaries of the General Improvement District No. 1, to include the above described property as petitioned for above. ALL PERSONS WHOSE SIGNATURES ARE AFFIXED HERETO SATE AND REPRESENT TO THE BEST OF THEIR KNOWLEDGE, INFORMATION AND BELIEF THAT THE ABOVE DESCRIBED REAL PROPERTY IS ACURATE. IT IS THE PETITIONER'S DESIRE TO BE INCLUDED IN THE GENERAL IMPROVEMENT DISTRICT NO. 1 SO THAT ANNUAL AD VALOREM REAL PROPERTY AND PERSONAL PROPERTY TAXES CAN BE APPLIED TO SERVICES, INCLUDING PEDESTRIAN AND PARKING FACILITIES, PROVIDED BY THE DISTRICT. BY BEING PART OF THE GENERAL IMPROVEMENT DISTRICT NO. 1, FOR WHICH THE PROPERTY WILL BE TAXED, THE UNDERSIGNED AGREES TO PAY THE MILL LEVY ASSESSMENT TO MAINTAIN AND UPGRADE PUBLIC PARKING AND PEDESTRIAN FACILITIES, AND OTHER RELATED EXPENSES FINANCED THROUGH THE GID NO. 1.

Signature and mailing address of all property owners must be provided in the space below. Also state if land is within or adjacent to the property described above. _____

Buchanan Holdings, LLC, P.O. Box 370024,
Denver, Colorado 80237 - Charles Salwei, as authorized
representative of Buchanan Holdings, LLC, of the above said property.
Charles Salwei, 2476 Van Buren, Loveland, Colorado, 80538

The following statement is and is intended to be represented as a sworn statement and an "oath" as defined by Section 18-8-501, CRS, as amended. (WARNING: A person commits a Class 1 petty offense if he makes a materially false statement, other than those prohibited by Sections 18-8-502 and 18-8-502, CRS as amended, which he does not believe to be true, under an oath required or authorized by law).

STATE OF COLORADO)
)ss
COUNTY OF LARIMER)

Charles Salwe, the affiant, being first duly sworn, upon oath depose(s) and say(s): that affiant was the circulator of the above and foregoing petition; that the signatures on said petition were signed in affiant's presence; and that they are the signatures of the persons they purport to be. Q. 1

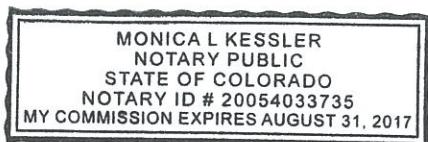
they purport to be.
Charles Salvesen

Subscribed and sworn to before me this 17th day of November, 2015.

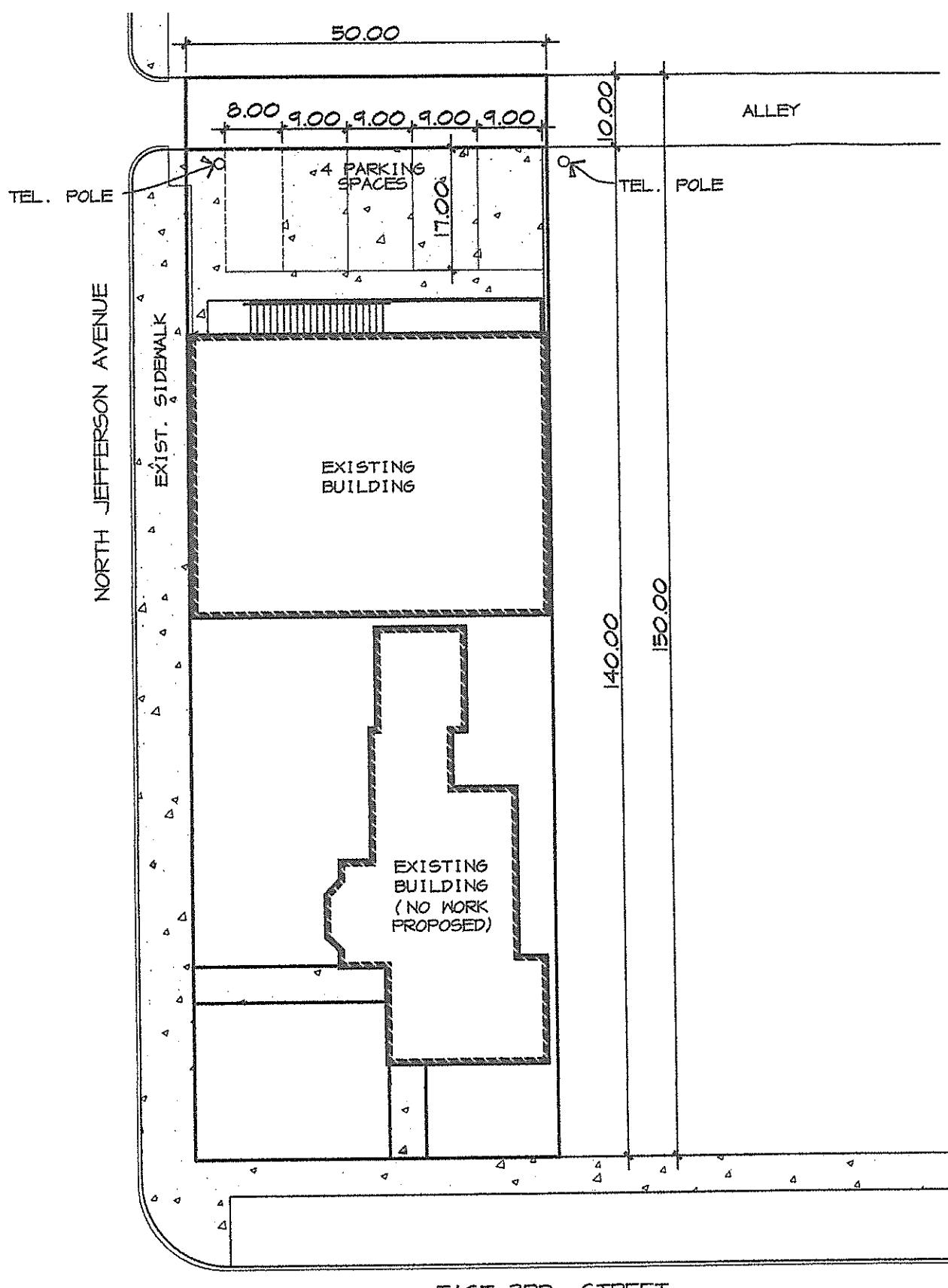
Witness my hand and official seal.

My commission expires: 8/31/17

Mo.
Notary Public



2024 Blue Mesa Court
Address
Loveland, CO 80538



EAST 3RD. STREET

SITE PLAN

348 NORTH JEFFERSON AVE. WEST 50 FEET
 OF SW, BLOCK 34, EVERETTS SUBDIVISION,
 CITY OF LOVELAND, COUNTY OF LARIMER,
 STATE OF COLORADO

FREEMAN
 ARCHITECTS P.C.

PARKING REQUIREMENTS:

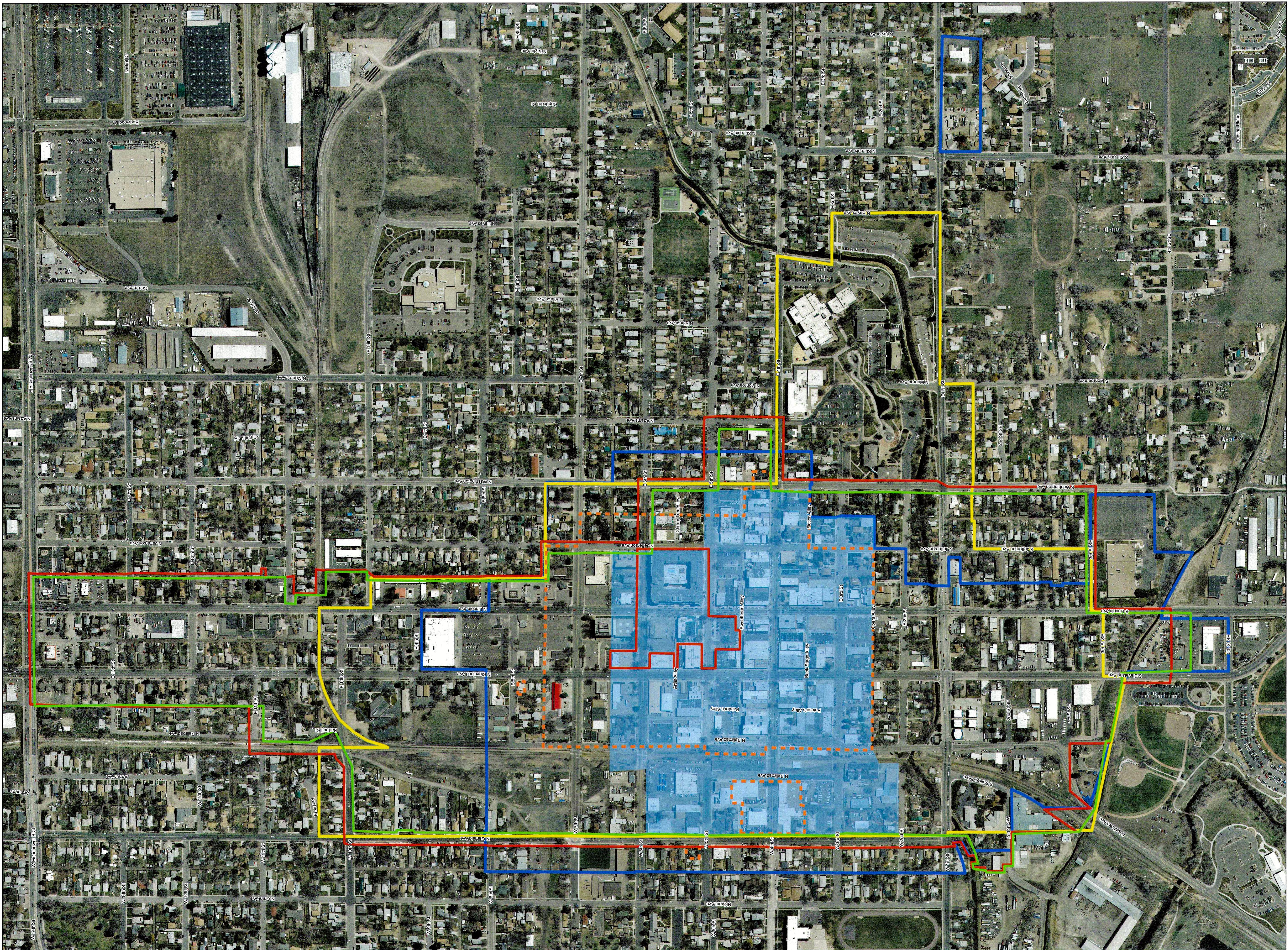
PARKING REQUIREMENTS PER TABLE 18.42 OF LOVELAND ZONING REQUIREMENTS:

MULTIPLE FAMILY DWELLINGS:	2 SPACES PER DWELLING UNIT
LIVE/WORK SPACE:	2 SPACES FOR EVERY LIVING AREA(RESIDENTIAL UNIT), PLUS 1 SPACE FOR EVERY WORK AREA.
PROFESSIONAL OFFICES:	1 SPACE FOR EVERY 250 SQ.FT. OF FLOOR AREA

<u>UNIT</u>	<u>PARKING REQ'D</u>
UNIT #1-ART STUDIO, APARTMENT	3
UNIT #2-ART STUDIO, APARTMENT	3
UNIT #3-MANAGERS OFFICE(240 SQ.FT)	1
UNIT #4-ART STUDIO, APARTMENT	3
UNIT #5-ART STUDIO, APARTMENT	2
UNIT #6-ART STUDIO, APARTMENT	2
UNIT #7-ART STUDIO, APARTMENT	2
UNIT #8-ART STUDIO, APARTMENT	2
TOTAL	18

EXISTING ON-SITE PARKING = 4 SPACES

THIS SITE REQUIRES 18 PARKING SPACES TO MEET LOVELAND ZONING REQUIREMENTS. THERE ARE 4 EXISTING SPACES ON THE SITE. WITHOUT JOINING THE GENERAL IMPROVEMENT DISTRICT(GID) THE SITE WILL BE 14 PARKING SPACES SHORT OF WHAT IS REQUIRED.



Downtown URA
 Downtown Tax Area
 Cap Exp Fee Exempt Area
 Existing Business (B-e) Zoning
 General Improvement District #1



CITY OF LOVELAND
PARKS & RECREATION DEPARTMENT
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2303 • FAX (970) 962-2903 • TDD (970) 962-2620

AGENDA ITEM:**7****MEETING DATE:**

January 19, 2016

TO:

City Council

FROM:

Marilyn Hilgenberg, Parks & Recreation

PRESENTER:

Marilyn Hilgenberg, Open Lands and Trails Manager

TITLE:

1. A Resolution Of The Loveland City Council Approving a Grant Agreement Between the City of Loveland, Colorado and the State Board of the Great Outdoors Colorado Trust Fund for the Ward Trust Property Open Lands Acquisition.
2. Motion to approve an Ordinance Enacting A Supplemental Budget And Appropriation To The 2016 City Of Loveland Budget for the Ward Trust Property Open Lands Acquisition.

RECOMMENDED CITY COUNCIL ACTION:

Hold a public hearing and approve the resolution and the ordinance on first reading.

OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration

SUMMARY:

This is an administrative item. The City applied for and was awarded a Great Outdoors Colorado (“GOCO”) grant for the Ward Trust Property Open Lands Acquisition, which includes the acquisition of a 73-acre parcel and associated George Rist Ditch water rights. This is an administrative action to approve the grant agreement and authorize the City Manager to sign the agreement on behalf of the City. In addition, the ordinance appropriates funding for the acquisition of the Ward Trust Open Lands Acquisition.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

The grant is for an amount not-to-exceed \$500,000. The grant requires that the City and its partners provide the remainder of the funding for this acquisition. A supplemental appropriation for \$2,100,000 from the Open Space Tax Fund is required for this acquisition. In addition, Larimer County has committed matching funds of up to \$250,000 for this project.

BACKGROUND:

The Board of Great Outdoors Colorado (GOCO) approved an Open Space grant award to the City of Loveland in the amount of \$500,000 towards the acquisition of the Ward Trust property at its meeting on December 10, 2015. The acquisition consists of the 73-acre Ward Trust property and 56 acre-feet of George Rist Ditch water rights.

Acquisition of the Ward Trust Property will provide public access to open lands while conserving wetland, riparian and grassland habitat, water rights, irrigated farmland, and scenic views along the Big Thompson River corridor in west Loveland. Trail connections for bicycle and pedestrian access to adjacent open lands will also be made possible by this project, with the use of ranch roads and ditch access throughout the property. In addition, this project will likely be a catalyst for the conservation of an adjacent 112-acre property that includes portions of the Big Thompson River.

The Ward Trust Property is part of the West Loveland Priority Area identified in *A Bigger Vision for the Big T: A Recreation and Conservation Assessment*, a partnership plan approved by Loveland and Larimer County in 2015. The site is also identified as an open land priority in the *2014 Parks & Recreation Master Plan*. The property is an addition to the adjacent 32-acre Morey Wildlife Reserve and a key parcel in the west Big Thompson Open Lands complex.

Loveland has worked with the Trust for Public Land (TPL) to negotiate with the landowner to conserve this property. A partnership of \$250,000 from Larimer County has been committed and TPL will cover due diligence costs.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Resolution
2. Ordinance

RESOLUTION #R-8-2016

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO AND THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND FOR THE WARD TRUST PROPERTY OPEN LANDS ACQUISITION

WHEREAS, the State Board of the Great Outdoors Colorado Trust Fund (“GOCO”) is a political subdivision of the State of Colorado created by Article XXVII of the Colorado Constitution, adopted at the November 1992 General Election, which Article appropriates a portion of the net proceeds of the Colorado Lottery to GOCO and directs GOCO to invest those proceeds in the state’s parks, wildlife, open space, and recreational resources; and

WHEREAS, in 1994, GOCO created a statewide grant program pursuant to which eligible entities could apply for grants for local government parks and outdoor recreation projects; and

WHEREAS, the City of Loveland, Colorado submitted a grant application to GOCO for funding to acquire the Ward Trust Property, a 73 acre piece of real property, which also includes 56 acre-feet of George Rist Ditch water rights; and

WHEREAS, GOCO approved the City’s grant application, subject to the execution of a detailed grant agreement, the form of which is attached hereto as Exhibit A and incorporated herein by reference (the “Intergovernmental Agreement”); and

WHEREAS, acquisition of the Ward Trust Property will provide public access to open lands while conserving wetland, riparian and grassland habitat, water rights, irrigated farmland, and scenic views along the Big Thompson River corridor in west Loveland; and

WHEREAS, governmental entities are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each; and

WHEREAS, the City Council desires to approve the Intergovernmental Agreement on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the Intergovernmental Agreement is hereby approved.

Section 2. That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Intergovernmental Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City.

Section 4. That this Resolution shall take effect as of the date of its adoption.

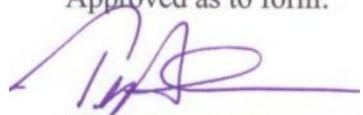
ADOPTED this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

Approved as to form:



Teresa Ablao
Assistant City Attorney

INTERGOVERNMENTAL GRANT AGREEMENT BETWEEN THE CITY OF LOVELAND AND THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND

Project Name:	Ward Trust Property
Project Completion Date:	June 10, 2017
Great Outdoors Colorado	
Contract No.:	16127

PARTIES TO AGREEMENT

Board/GOCO: The State Board of the Great Outdoors Colorado Trust Fund
Address: 303 E. 17th Ave., Suite 1060
Denver, CO 80203

Telephone: (303) 226-4522
Fax: (303) 863-7517
Contact name: Michele Frishman

Grantee: City of Loveland

Address: 500 East Third Street, Loveland, CO 80537

Contact name: Brian Hayes

Date: January 4, 2016

EXHIBITS

Exhibit A	Project Summary
Exhibit B	Approved Budget
Exhibit C	Due Diligence Checklist for a Great Outdoors Colorado Open Space Acquisition Project

RECITALS

A. The State Board of the Great Outdoors Colorado Trust Fund (“GOCO” or the “Board”) is a political subdivision of the State of Colorado, created by Article XXVII of the Colorado Constitution, adopted at the November 1992 General Election, which article appropriates a portion of the net proceeds of the Colorado Lottery to GOCO and directs GOCO to invest those proceeds in the state’s parks, wildlife, open space and recreational resources.

B. In 1994, GOCO created a statewide grant program, pursuant to which eligible entities could apply for land conservation project grants. Grantee listed above (“Grantee”) submitted a detailed project application (“Project Application”) that contemplates the acquisition of full fee title or partial real property interest(s) in that certain real property (“Property”) described in the Project Application (“Property Interest”). GOCO approved Grantee’s Project Application, which is incorporated into this Agreement by reference, on December 10, 2015, as described in GOCO’s project summary (“Project Summary”), attached and incorporated as Exhibit A, subject to the execution of a detailed grant agreement. GOCO and Grantee each have on file a copy of the Project Application. The acquisition described in the Project Application and Project Summary is referred to as the “Project.”

C. The GOCO-required Use Restriction (as hereafter defined) is in furtherance of the policy adopted by GOCO, and the acquisition of the Property Interest is consistent with the long-range strategic plan of GOCO, both of which are intended to ensure that the Property Interest shall be held and managed in a manner designed to protect the Property’s natural resources and other open space values, to prevent development that would adversely affect such resources and values, and where necessary and appropriate to ensure appropriate public access.

D. Grantee shall obtain the matching cash and in-kind contributions for the Project as described in the Project Application and the Project Summary and as required by GOCO policy.

E. The parties intend this agreement to be the detailed grant agreement required by GOCO (“Agreement”).

AGREEMENT

SECTION 1 – PROJECT SCOPE

NOW, THEREFORE, in consideration of the premises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth above are incorporated into this Agreement.

2. Grant and Project. GOCO awards to Grantee a grant in the amount not to exceed \$500,000.00 (“Grant”), subject to the terms and conditions set forth in this Agreement and subject to the following specific condition(s) for this Project:

The final amount of funding for this Project that will be available to Grantee at closing or reimbursement will be dependent upon the overall Project being completed with no material changes. The Grant will not be increased, but GOCO may reduce the Grant if the Project changes in any way that GOCO deems material. For example, a reduction in acreage, purchase price, or fair market value may cause a reduction in the Grant, unless GOCO approves adding or substituting elements to the overall Project. Additionally, GOCO will release Grant funds in portions if the Project is completed in phases (i.e., more than one transaction), according to GOCO’s determination of how the proportionate acreage, Project cost, and value relates to the overall Project and Grant. The Grantee and partners must meet GOCO’s reporting requirements before any funds are released. The Project must also comply with all of GOCO’s policies and practices and must meet any special Board conditions as listed in the attached Project Summary (Exhibit A).

The Grant shall be used by Grantee solely to complete the Project as approved by GOCO. In the event of a conflict between the Project Application and the Project Summary, the parties shall resolve the conflict by mutual agreement. Grantee has provided GOCO with a resolution adopted by Grantee’s governing body authorizing Grantee’s acceptance of the Grant, subject to this Agreement, and designating an appropriate official to sign this Agreement on Grantee’s behalf. Grantee agrees to use its best efforts to complete the Project.

3. Project Scope. Grantee will not materially modify the Project without the written approval of the Executive Director of GOCO (“Executive Director”). Any material change to the Project, whether or not such change is approved in writing by GOCO, may result in a reduction of GOCO’s Grant or may require a refund to GOCO from Grantee, pursuant to Paragraph 9 of this Agreement. In addition, any material change to the Project that is not approved in writing by GOCO may result in termination of the Grant.

4. Approved Budget. Grantee has completed a detailed budget that reflects all anticipated sources and uses of funds for the Project, including a detailed accounting of Grantee’s anticipated direct costs associated with the Project, a copy of which is attached and incorporated as Exhibit B (“Budget”). Eligible costs are described in Paragraph 7 of this Agreement. The Project Application contains a budget that may not match the approved version attached as Exhibit B and which, therefore, shall not be relied upon by GOCO or Grantee. Where discrepancies exist, the approved Budget in Exhibit B shall control until such time as GOCO approves the final version.

5. Waiver. Prior to the disbursement of funds, the Executive Director in his or her discretion may waive certain conditions set forth in this Agreement. Anything else to the contrary notwithstanding, the exercise by GOCO staff (“Staff”), the Executive Director or GOCO of any right or discretion reserved to them under this Agreement shall not be deemed a waiver. Furthermore, no waiver by them under this Agreement shall constitute a waiver of any other

requirements, actions or conditions, nor shall any waiver granted be deemed a continuing waiver. No waiver by the Staff, the Executive Director or GOCO shall be effective unless in writing executed by them. Additionally, any failure by the Staff, the Executive Director or GOCO to take any actions as set forth in this Agreement shall have no legal effect on the contractual duties of the Grantee. Further, no waiver with respect to this Project, Grant, or Agreement shall constitute a waiver in any other GOCO-funded project.

6. **Future Funding.** This Agreement and the Grant only apply to the purchase of the Property Interest specifically described in this Agreement. GOCO makes no representations regarding future funding for future phases of the Project or any other properties, whether or not described in the Project Application, Project Summary, or otherwise.

SECTION 2 – GRANT PAYMENT

7. **Eligible Costs.** The following costs are eligible for reimbursement:

A. ***Property Interest.*** The purchase price of the Property Interest described in the Project Application and Project Summary, which may not exceed the fair market value as established by appraisal.

B. ***Direct Costs.*** Costs directly associated with producing due diligence documents needed for closing the transaction on the Project, including but not limited to expenses for a title policy (including endorsements and other title company charges); an appraisal; Grantee's contract or "outside" attorneys' fees; an environmental hazards assessment; development of a management plan and baseline documentation; a survey, if needed; a geologist's mineral assessment, if needed; maps; and 50 percent of stewardship endowment costs, up to GOCO's policy maximum of \$10,000 for each property.

8. **Payment of Grant.** Payment of the Grant is subject to GOCO's determination in its sole discretion that it has received and has available sufficient net lottery proceeds to fund the Grant and that Grantee has complied with this Agreement, including Grantee's fulfillment of all conditions precedent to funding as set forth in Section 3. In determining the sufficiency of net lottery proceeds, GOCO may consider all facts and circumstances as it deems necessary or desirable, including but not limited to adequate reserves, funding requirements and/or commitments for other past, current and future grants, and past, current and future GOCO operating expenses and budgetary needs.

9. **Withdrawal of GOCO Funding; Termination of Agreement.** Anything in this Agreement to the contrary notwithstanding, with prior notice to Grantee, GOCO reserves the right to withhold or withdraw all or a portion of the Grant, to require a full or partial refund of the Grant, and/or to terminate this Agreement if GOCO determines in its sole discretion that:

A. ***Altered Expectations.*** Facts have arisen or situations have occurred that fundamentally alter the expectations of the parties or make the purposes for the Project or the Grant as approved by GOCO infeasible or impractical;

B. *Material Project Changes.* Material changes in the scope or nature of the Project have occurred from how the Project was presented in the Project Application, approved by GOCO and reflected in the Project Summary, without prior written approval of the Executive Director;

C. *Inaccuracies.* Any statement or representation made or information provided by the Grantee in the Project Application, this Agreement or the due diligence materials is untrue, inaccurate or incomplete in any material respect;

D. *Conditions Precedent Not Fulfilled or Unsatisfactory.* Any of the conditions precedent to funding listed in Section 3 below is not fulfilled by Grantee or is unsatisfactory to GOCO, in its sole discretion; or

E. *Termination of Use Restriction, Disposal of Property.* The Use Restriction is terminated or the Property Interest purchased with the Grant is disposed of, in which event Grantee shall make a proportionate refund to GOCO. The Use Restriction shall contain provisions for calculating any such refund.

SECTION 3 – CONDITIONS PRECEDENT

10. *Completion Date.* Grantee shall complete acquisition of the Property Interest no later than June 10, 2017, which is 18 months after the date of GOCO's approval of the Project ("Completion Date"). Grantee may request an extension of the Completion Date in compliance with GOCO's Overdue Grants Policy, as may be amended from time to time by GOCO in its sole discretion. GOCO may elect to terminate this Agreement and deauthorize the Grant in the event this Completion Date is not met and/or Grantee fails to comply with the Overdue Grants Policy.

11. *Grantee's Inability to Complete Project.* If Grantee determines with reasonable probability that the Project will not or cannot be completed as approved by GOCO, Grantee will promptly advise GOCO in writing. Upon written request by Grantee, as a possible alternative to termination of the Grant, GOCO may consider funding one or more alternative projects under its Substitution Policy. Any alternative projects must meet GOCO eligibility requirements then in effect and must be approved by GOCO in writing; they shall be subject to this Agreement.

12. *Conditions Precedent to Funding.* Grantee acknowledges that any acquisition of the Property Interest prior to fulfillment of the terms and conditions of this Agreement and the disbursement of funds by GOCO is undertaken at Grantee's sole risk and may cause a forfeiture of the Grant. Anything else in this Agreement or otherwise to the contrary notwithstanding, the Grant is expressly conditioned upon Grantee's fulfillment of all terms and conditions of this Agreement to GOCO's satisfaction in its sole discretion, including but not limited to the following:

A. *Matching Funds.* Matching funds in the minimum amount set forth in the Project Application and Project Summary must have been received by Grantee, or the status of efforts to secure matching funding was disclosed and has been deemed satisfactory by Staff.

B. *Due Diligence.* The Staff shall conduct a due diligence review of the Project, the results of which must be satisfactory to GOCO in its sole discretion. Grantee shall assist and cooperate with the Staff in conducting the due diligence review and shall provide the Staff with the information or documentation specified in the Due Diligence Checklist for a Great Outdoors Colorado Open Space Acquisition Project (“Due Diligence Checklist”), as well as other documentation and/or information the Staff shall reasonably request. The Due Diligence Checklist is attached and incorporated as Exhibit C and may be amended from time to time by GOCO in its sole discretion. Grantee shall have the duty to update all such documentation and information as necessary to reflect material changes from the date it is originally provided to GOCO. In its sole discretion, GOCO may terminate this Agreement and deauthorize the Grant if Grantee fails to provide any information or documentation promptly when requested by Staff or as outlined in the Due Diligence Checklist and further detailed in the Great Outdoors Colorado’s Instructions for GOCO’s Open Space Application Form and Technical Supplement to Land Acquisition Grants (“Technical Supplement”), which are incorporated by reference and may be amended from time to time by GOCO in its sole discretion. In addition, Grantee must submit, where necessary, written evidence that all permits and approvals required for Project completion under applicable local, state and federal laws and regulations have been obtained, as well as any and all material revisions to the Budget, as required in Paragraph 4 above.

C. *Great Outdoors Colorado Use Restriction.* Property acquired with GOCO funds, whether through the acquisition of fee title, conservation easement, or any other technique, shall be held and managed in a manner designed to protect the Property’s natural resources, open space and other conservation values, to prevent any development that would adversely affect such resources and values, and where necessary and appropriate to ensure appropriate public access. This GOCO policy shall be implemented by inclusion of specific language in a conservation easement or, to the extent approved by the Executive Director in his or her sole discretion, by covenant or other deed restriction sufficient to implement the terms and conditions contained in GOCO’s form Deed of Conservation Easement, as may be amended from time to time by GOCO in its sole discretion (“Use Restriction”). Each Use Restriction shall be acceptable to GOCO in form and content and shall identify Grantee or a third party acceptable to GOCO as the holder. In accordance with this requirement, Grantee covenants and agrees as follows:

(1) *Conservation Easement Form.* Grantee shall use GOCO’s Use Restriction form or shall incorporate the terms and conditions that are contained in GOCO’s Use Restriction form in substantially the same language into Grantee’s conservation easement form. Grantee shall obtain GOCO approval of the proposed Use Restriction in writing. Grantee acknowledges that GOCO recommends obtaining GOCO approval of the proposed Use Restriction well in advance of closing.

(2) *Subordination to Use Restriction.* All liens, encumbrances, or other use restrictions and interests of record that, in GOCO's opinion, are inconsistent with the Use Restriction must be discharged, released or subordinated to the Use Restriction.

SECTION 4 – OTHER PROVISIONS

13. Publicity and Project Information. GOCO has the right and must be provided the opportunity to use information gained from the Project; therefore, Grantee shall acknowledge GOCO funding in all news releases and other publicity issued by Grantee concerning the Project. If any events are planned in relationship to the Project, GOCO shall be acknowledged as a contributor in the invitation for the event. GOCO shall be notified of any such events 30 days in advance. Grantee shall cooperate with GOCO in preparing public information pieces, providing slides and photos of the Project (collectively, "Project Materials") from time to time, and providing access to the Property for publicity purposes to the extent allowed by the landowner. For the avoidance of doubt, all Project Materials generated by Grantee of the Project constitute a "work made for hire" pursuant to the U.S. copyright law (17 U.S.C. Section 201(b)). Grantee agrees that all copyrights and other property rights in the Project Materials developed by Grantee in conjunction with the Project are further owned by GOCO. Grantee forever and irrevocably assigns to GOCO, without further consideration, all right, title and interest in such copyrights and other proprietary rights. Grantee agrees that GOCO, its successors and assigns shall have the exclusive right to file copyright applications in the United States and throughout the world to the Project Materials or any portion of them in the name of GOCO. Grantee agrees that GOCO, its successors and assigns may act as attorney-in-fact to execute any documents that GOCO deems necessary to record this Agreement with the United States Copyright Office or elsewhere. Grantee agrees to execute any and all documents reasonably requested by GOCO to enforce GOCO's rights under this provision.

14. Signage. Grantee shall erect one or more signs visible from the nearest public roadway, or from an alternative location approved by GOCO, identifying the Project to the public. The signage shall be erected *unless* GOCO agrees otherwise in writing. The number and placement of the signs, as well as any requests for different design or wording, shall be submitted to GOCO for review and written approval prior to their placement. For approved custom signs, GOCO will provide reproducible samples of its logo to the Grantee for such signs and requires they be incorporated into the signs. Grantee shall erect signage either within ten days of closing or prior to payment of the Grant, if GOCO funds are not used at closing, or within an alternative time period approved in advance by the Executive Director.

15. Liability.

A. *Indemnity.* To the extent allowed by law, Grantee shall be responsible for and shall indemnify, defend and hold harmless GOCO, its officers, agents and employees from any and all liabilities, claims, demands, damages or costs (including reasonable attorneys' fees) resulting from, growing out of, or in any way connected with or incident to Grantee's performance of this Agreement. Grantee waives any and all rights to any type of express or implied indemnity or right of contribution from the State of Colorado, GOCO, its members,

officers, agents or employees for any liability resulting from, growing out of, or in any way connected with or incident to this Agreement.

B. *No CGIA Waiver.* No term or condition of this Agreement shall be construed or interpreted as a waiver, either express or implied, of any of the immunities, rights, benefits or protections provided to GOCO under the Colorado Governmental Immunity Act as amended or as may be amended in the future (including without limitation any amendments to such statute, or under any similar statute that is subsequently enacted) ("CGIA"). This provision may apply to the Grantee if the Grantee qualifies for protection under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq. GOCO and Grantee understand and agree that liability for claims for injuries to persons or property arising out of the negligence of GOCO, its members, officials, agents and employees may be controlled and/or limited by the provisions of the CGIA. The parties agree that no provision of this Agreement shall be construed in such a manner as to reduce the extent to which the CGIA limits the liability of GOCO, its members, officers, agents and employees.

C. *Compliance with Regulatory Requirements and Federal and State Mandates.* Grantee assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to nondiscrimination, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, and other similar requirements. To the maximum extent permitted by law, Grantee agrees to indemnify, defend and hold harmless GOCO, Executive Director and Staff from any cost, expense or liability for any failure to comply with any such applicable requirements.

D. *Nondiscrimination.* During the performance of this Agreement, Grantee and its contractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex, and shall comply with any other applicable laws prohibiting discrimination. Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination.

16. *Audits and Accounting Records.* Grantee shall maintain standard financial accounts, documents, and records relating to the acquisition, use, management, operation and maintenance of the Property Interest. Grantee shall retain the accounts, documents, and records related to acquisition of the Property Interest for five years following the date of disbursement by GOCO of the Grant funds, and they shall be subject to examination and audit by GOCO or its designated agent during this period. All accounts, documents, and records described in this paragraph shall be kept in accordance with generally accepted accounting principles.

17. *Post-Completion Requirements.*

A. *Stewardship.* Grantee shall comply with the obligations of GOCO's Stewardship Policy, as may be amended from time to time by GOCO in its sole discretion.

B. *Change of Use.* If Grantee, in its reasonable discretion, determines a need for a change in use of the Property Interest acquired with the Grant, Grantee shall notify GOCO in

writing of its determination and request a change of use review (“Change of Use Notice and Request”). GOCO will review the Change of Use Notice and Request in accordance with GOCO’s Change of Use Policy, as may be amended from time to time by GOCO in its sole discretion. Within 60 days after submitting the Change of Use Notice and Request, Grantee shall submit to GOCO all documentation required under the Change of Use Policy and any additional documentation requested by GOCO as a result of its receipt and review of the Change of Use Notice and Request (collectively, the “Change of Use Documentation”). GOCO in its sole discretion will determine whether to grant, deny, condition GOCO’s approval, or delay a decision on the Change of Use Notice and Request.

18. **Breach**. In addition to other remedies available at law or in equity, in the event that Grantee breaches any of the terms or conditions of this Agreement, GOCO shall have the following non-exclusive remedies:

A. *Prior to Payment of Grant*. GOCO reserves the right to withdraw funding and/or terminate this Agreement.

B. *After Payment of Grant*. GOCO reserves the right to seek equitable relief and/or all other remedies as available to it under applicable law, including but not limited to return of all or a portion of the Grant. Further, GOCO reserves the right to deem Grantee ineligible for participation in future GOCO grants, loans or projects.

19. **GOCO Policies**. With regard to all named GOCO policies referenced in this Agreement, Grantee acknowledges it has received a copy of the policies or otherwise has access to the documents in connection with this Agreement and is familiar with their requirements.

20. **Miscellaneous Provisions**.

A. *Good Faith*. Both parties have an obligation of good faith, including the obligation to make timely communication of information that may reasonably be believed to be of interest to the other party.

B. *Assignment*. Grantee may not assign its rights or delegate its obligations under this Agreement without the express written consent of the Executive Director, who has the sole discretion to withhold consent to assign.

C. *Applicable Law*. Colorado law applies to the interpretation and enforcement of this Agreement.

D. *Status of Grantee*. The parties acknowledge that GOCO lacks the power and right to direct the actions of Grantee. Grantee acts in its separate capacity and not as an officer, employee or agent of GOCO or the State of Colorado.

E. *Time is of the Essence*. Time is of the essence in this Agreement.

F. *Survival.* The terms and conditions of this Agreement, including but not limited to Grantee's obligations, shall survive the funding of the Grant and the acquisition of, and any future conveyance of, the Property Interest by Grantee.

G. *Fax and Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one agreement. In addition, the parties agree to recognize signatures to this Agreement made electronically and transmitted electronically or by facsimile as if they were original signatures.

H. *Third-Party Beneficiary.* GOCO and Grantee acknowledge and agree that this Agreement is intended only to cover the relative rights and obligations between GOCO and Grantee and that no third-party beneficiaries are intended. Notwithstanding the preceding statement, GOCO and Grantee acknowledge that GOCO is intended to be and is a third-party beneficiary of the covenants and terms of the Use Restriction and Grantee's real property interest in the Use Restriction.

I. *Notice.* Any notice, demand, request, consent, approval or communication that either party desires or is required to give the other shall be in writing and either served personally or sent by first class mail, postage prepaid, to the addresses shown on Page 1 of this Agreement.

J. *Construction; Severability.* Each party has reviewed and revised (or requested revisions of) this Agreement, and therefore any rules of construction requiring that ambiguities be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement. If any provision in this Agreement is found to be ambiguous, an interpretation consistent with the purpose of this Agreement that would render the provision valid shall be favored over any interpretation that would render it invalid. If any provision of this Agreement is declared void or unenforceable, it shall be deemed severed from this Agreement, and the balance of this Agreement shall otherwise remain in full force and effect.

K. *Entire Agreement.* Except as expressly provided, this Agreement constitutes the entire agreement of the parties. No oral understanding or agreement not incorporated in this Agreement shall be binding upon the parties. No changes in this Agreement shall be valid unless made in writing and signed by the parties to this Agreement.

L. *Termination of the Board.* If Article XXVII of the Colorado Constitution, which established GOCO, is amended or repealed to terminate GOCO or merge GOCO into another entity, the rights and obligations of GOCO under this Agreement shall be assigned to and assumed by such other entity as provided by law, but in the absence of such direction, by the Colorado Department of Natural Resources or its successor.

IN WITNESS WHEREOF, the parties by signature below of their authorized representatives execute this Agreement effective as of .

STATE BOARD OF THE GREAT
OUTDOORS COLORADO TRUST FUND

GRANTEE:
City of Loveland

By:

By:

Lise Aangeenbrug
Executive Director

Title:

GOCO Program Staff:
Route Grant Agreement to
Executive Director for signature:

EXHIBIT A
Project Summary

Rank: 3	Overall Score: 87.84	GOCO Staff Score: 85.67	Reviewer Average: 90
----------------	-----------------------------	--------------------------------	-----------------------------

Applicant: City of Loveland
Project Title: Ward Trust Property
County: Larimer
Log #: 16127

Funding Summary:	Applicant Funding	\$2,003,000
	Partner(s) Funding	\$286,000
	Land Donation	\$0
	GOCO Grant Amount	\$500,000
	Total Project Cost	\$2,789,000

Project Description:

The City of Loveland Open Lands Division, partnering with the Trust for Public Land, will acquire 73 acres of agricultural property in fee simple. The city plans to continue the grassland pasture and grass hay production on the property. It will convert the existing road through the property to a pedestrian and bicycle trail, which will provide public access to adjacent open space and the Morey Wildlife Reserve. The property provides habitat for numerous species, including big game and bald eagles, and views of Longs Peak, the Devil's Backbone Open Space, and Mount Meeker. The acquisition also will provide a buffer from residential development and is expected to be a catalyst for conservation of the adjacent 112-acre property that borders the Big Thompson River. Larimer County will hold the conservation easement.

Staff and Peer Reviewer Comments:

Good size and strategic location buffer parcel with good natural values.

Extremely high leverage due to presence of funding from 2 jurisdictions utilizing their open space tax revenue and land trust partner (TPL).

Very costly, relatively small project. Value driven up by growth on Front Range.

The project sort of meets landscape-scale conservation. It will conserve wetland and riparian habitat, but is not directly along a river. The property isn't really urban, but would provide trails for people commuting in and around Loveland. There would be public access.

There is great partnership here. Many people want this deal done and those involved are experienced in open space management. Though a lot of money, it would be well-spent and not wasted.

EXHIBIT B

Approved Budget

EXHIBIT C

Due Diligence Checklist
for a Great Outdoors Colorado
Open Space Acquisition Project

Please see Great Outdoors Colorado's current *Instructions for GOCO's Open Space Application and Open Space Technical Supplement* for a detailed description of these documents and why GOCO requires them.

These documents are required **prior to** closing and the disbursement of GOCO's funds:

Within 60 days after grant award:

- 1) Signed Grant Agreement
- 2) Resolution authorizing grantee to execute Grant Agreement

At least 90 days before closing:

- 3) Appraisal Guidelines and flowchart signed by grantee and appraiser
- 4) Signed Purchase or Option Agreement
- 5) Title Commitment and related documents
- 6) Water rights due diligence demonstration

At least 60 days before closing:

- 7) Draft Conservation Easement
- 8) Survey (if necessary)
- 9) Environmental Hazards Assessment
- 10) Geologist's Mineral Assessment

At least 14 days before closing:

- 11) Signage Form signed by grantee
- 12) Final Qualified Appraisal (must receive a positive review from GOCO's reviewer with no outstanding issues)
- 13) Final Project Budget (marked "Final")
- 14) Wire Transfer Instructions, Draft Buyer's Settlement Statement, and Closing Documents (including final draft of Warranty Deed(s) for fee title acquisitions)
- 15) Resolution authorizing grantee to accept property interest (or other proof of authorization)
- 16) Baseline Documentation Report (provide to GOCO within six months after closing for winter closings or extenuating circumstances)

This document may be submitted after closing:

- 17) Land Management Plan, if necessary (provide to GOCO within one year)

NOTE: We will make every effort to meet your anticipated closing date. However, please recognize that GOCO requires internal review of all due diligence material and GOCO staff is also reviewing due diligence for other grants. Delays in providing materials to us by the deadlines specified above may prevent us from wiring GOCO funds to meet a specified closing date.

FIRST READING: January 19, 2016

SECOND READING: _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2016 CITY OF LOVELAND BUDGET FOR THE WARD TRUST PROPERTY OPEN LANDS ACQUISITION

WHEREAS, the City has reserved funds not anticipated or appropriated at the time of the adoption of the 2016 City budget for the Ward Trust Property Open Lands acquisition; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the 2016 City budget for the Ward Trust Property Open Lands acquisition, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That reserves in the amount of \$2,100,000 from fund balance in the Open Lands Fund are available for appropriation. Such revenues in the total amount of \$2,100,000 are hereby appropriated to the 2016 City budget for the Ward Trust Property Open Lands acquisition. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget
Open Lands Fund 202**

Revenues

Fund Balance		2,100,000
Total Revenue		2,100,000

Appropriations

202-51-590-0000-49010	Land	2,100,000
Total Appropriations		2,100,000

Section 2. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full.

Section 3. That this Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this ____ day of February, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Tami Yalter
City Attorney



CITY OF LOVELAND
COMMUNITY PARTNERSHIP OFFICE
 Civic Center • 500 East Third Street • Loveland, Colorado 80537
 (970) 962-2517 • FAX (970) 962-9745 • TDD (970) 962-2620

AGENDA ITEM: 8
MEETING DATE: 1/19/2016
TO: City Council
FROM: Alison Hade, Community Partnership Office
PRESENTER: Alison Hade, Administrator

TITLE:

A Resolution Authorizing A Release Of A Restriction On Conveyance Of Property Associated With A Designated Affordable Housing Unit

RECOMMENDED CITY COUNCIL ACTION:

Adopt the resolution as presented.

OPTIONS:

1. Adopt the recommended action.
2. Deny the action. If the action is denied, the applicant's net proceeds will be reduced by 25%.
3. Adopt a modified action (specify in the motion). No modified action is presented.
4. Refer back to staff for further development and consideration. Staff does not have information that is not presented in this cover sheet.

SUMMARY:

This is an administrative action authorizing the Release of a Restriction on Conveyance of Property Recorded with the Larimer County Clerk and Recorder at Reception No. 20120060564 for Lot 4, Block 8, Giuliano First Subdivision, Loveland Colorado Pursuant to Section 16-43-080 of the Loveland Municipal Code due to a hardship.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

If the waiver is granted, the City would not receive any percentage of net proceeds from the sale of the property.

BACKGROUND:

Section 16.43.080 of the Loveland Municipal Code requires that if, within 20 years from the purchase of an "affordable housing unit", an owner sells the home to a household that does not meet the City's definition of a "qualified household", then the owner must refund to the City a percentage of the net proceeds from such sale. The percentage to be refunded is based on the number of years from the original sale that the owner has owned the dwelling. The owner of 4427 Elliot Place is requesting a waiver from the repayment obligation based on a hardship.

Pursuant to provisions in Section 16.43.080.D of the Loveland Municipal Code allows the City Council to grant a waiver from the repayment obligation for selling an affordable housing unit to a household that does not meet the City's definition of a "qualified household". Section 16-43.080.D also allows City Council to grant waivers to all or any portion of the repayment obligation on a case-by-case basis for good cause shown. The home owner submitted a letter to the Community Partnership Office outlining a recent hardship and asks that under the circumstances, the repayment obligation be waived. The written request is included as Attachment 2.

The home was purchased in 2012. The amount that is required to be refunded to the City is included as Attachment 3.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Resolution
2. Bernhardt Letter
3. Net Proceeds Calculation

RESOLUTION #R-9-2016**A RESOLUTION AUTHORIZING THE RELEASE OF A RESTRICTION
ON CONVEYANCE OF PROPERTY FOR LOT 4, BLOCK 8, GIULIANO
FIRST SUBDIVISION, CITY OF LOVELAND, COUNTY OF LARIMER,
COLORADO PURSUANT TO SECTION 16.43.080 OF THE LOVELAND
MUNICIPAL CODE**

WHEREAS, Section 16.43.080 of the Loveland Municipal Code requires: (1) the City to place a deed restriction or encumbrance prohibiting the sale of an affordable housing unit to any person or entity other than a qualifying household, and prohibiting the rental of the property, for a period of twenty years from the date of the initial purchase of the affordable housing unit; and (2) the owner to pay the City a certain percentage of the owner's "net proceeds" on the sale of the unit to a non-qualifying household; and

WHEREAS, in accordance with Section 16.43.080, the City and Aspen Homes of Colorado, Inc. (the "Builder") entered into a Restriction on Conveyance of Property dated August 23, 2012 and recorded with the Larimer County Clerk and Recorded at reception number 20120060564 (the "Restriction") pursuant to which the property legally described as Lot 4, Block 8, Giuliano First Subdivision, Loveland, Colorado (the "Property"), located at 4427 Elliot Place, Loveland, Colorado, was made subject to the requirements of Section 16.43.080; and

WHEREAS, in August, 2012, the Builder sold the Property to Donald and Paula Bernhardt (the "Owners"), who were determined by the City to be a qualifying household, and the Owners became subject to the Restriction; and

WHEREAS, Subsection D of Section 16.43.080 permits the City Council to waive all or any portion of the owner's repayment obligation set forth in Section 16.48.080 on a case-by-case basis for good cause shown; and

WHEREAS, due to the death of Donald Bernhardt and to owner Paula Bernhardt's inability to care for the Property, as described in the letter dated December 30, 2015 attached hereto as **Exhibit "A"** and incorporated herein, Paula Bernhardt requests that the City waive the repayment amount due under the Restriction; and

WHEREAS, pursuant to Subsection D of Section 16.43.080, the City Council finds good cause for such request and desires to release the Restriction in accordance with the provisions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That, in accordance with Subsection D of Section 16.43.080, the City Council hereby finds good cause to and does hereby waive the balance of any remaining repayment obligation due under the Restriction.

Section 2. That the City Manager and the City Clerk are hereby authorized to execute and deliver a release, in a form approved by the City Attorney, of the Restriction at the time of closing of the sale of the Property by the Paula Bernhardt.

Section 3. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Masie Garcia
Assistant City Attorney

A RESOLUTION AUTHORIZING THE RELEASE OF A RESTRICTION ON CONVEYANCE OF PROPERTY FOR LOT 4, BLOCK 8, GIULIANO FIRST SUBDIVISION, CITY OF LOVELAND, COUNTY OF LARIMER, COLORADO PURSUANT TO SECTION 16.43.080 OF THE LOVELAND MUNICIPAL CODE

December 30, 2015

City of Loveland Community Partnership Office
Civic Center
500 East Third Street
Loveland, Colorado 80537

Attn: Ms. Alison Hade
Community Partnership Office Administrator

Re: Deed Restriction Associated with Qualified Affordable Housing Credit
Single-family Residence
4427 Elliot Place
Loveland, Colorado

Dear Ms. Hade,

In August of 2012, my husband and I purchased our home located at 4427 Elliot Place in Loveland, Colorado. The City of Loveland approved our purchase of the property as a qualified affordable housing transaction under the Loveland Municipal Code.

At the time we purchased our home, my husband was battling Stage 4 colorectal cancer and both of us were retired. As evident from the qualification for the affordable housing incentive, we had very little income and plenty of medical expenses. My husband passed away on September 18, 2015 and I have subsequently moved in with my son and his family. I have elected to sell my home on 4427 Elliot Place in Loveland, Colorado because I am unable to take care of the property on my own.

At this time, my only income is from PERA and claims from my husband's disability benefit. I also believe that my husband's passing is a significant hardship. I understand Heritage Title Company has requested a payoff amount of \$7,065.68 be paid to the City of Loveland considering the home was sold within five years of our purchase. I respectfully request that the City of Loveland waive the deed restriction without requiring that I pay 25% of the net proceeds to the City of Loveland.

Please feel free to contact me with any questions or concerns.

Sincerely,



Paula A. Bernhardt, dpbernhardt52@icloud.com
5954 Black Lion Court, Windsor, Colorado
(970) 302-0137



COMMUNITY PARTNERSHIP OFFICE
Civic Center • 500 East Third Street • Loveland, Colorado 80537
(970) 962-2517 • FAX (970) 962-2903 • TDD (970) 962-2620
www.cityofloveland.org

December 10, 2015

Paula A. Bernhardt
4427 Elliot Place
Loveland, Colorado 80538

Dear Ms. Bernhardt,

Heritage Title requested an amount to be paid to the City of Loveland to release the deed restriction on your property located at 4427 Elliot Place in Loveland, Colorado that was purchased in 2012. The payoff amount is \$7,065.68 based on the following calculation:

Sale price:	\$257,000
Purchase price:	\$213,690
Closing costs:	<u>\$15,047.27</u> (\$15,647.27 with a \$600 credit)
NET PROCEEDS:	\$28,262.73

As shown on your contract, 25% of net proceeds must be returned to the City of Loveland if the home is sold within five years. Please let me know if you have any questions.

Best regards,

Alison Hade
Community Partnership Office Administrator

Enclosures

cc: Annie, Slonaker, Heritage Title Company



COMMUNITY PARTNERSHIP OFFICE

Civic Center 500 East Third Street Loveland, Colorado 80537

(970) 962-2517 FAX (970) 962-2903 TDD (970) 962-2620

www.cityofloveland.org

August 8, 2012

Donald & Paula Bernhardt
1405 Redwood Drive
Windsor, CO 80550

Dear Mr. & Mrs. Bernhardt,

Congratulations on your upcoming property purchase! The City of Loveland has approved your purchase of the property located at 4427 Elliot Place as a qualified affordable housing transaction under the Loveland Municipal Code.

The developer of the Enchantment Ridge subdivision and the builder of the house at 4427 Elliot Place have received a reduction in building and development fees and a credit of use tax in exchange for selling the property to a household that has an income no greater than 70% of the Area Median Income (guidelines enclosed).

What this means to you, as the buyer, is that the City will place a "Restriction on Conveyance of Property," also known as a "deed restriction," on the property for a period of twenty years. In the event that the property is sold within twenty years of the date of the deed restriction, one of two events will take place.

1. The property owner (you) may sell the property to a household with income no greater than 70% of the Area Median Income based on household size (guidelines enclosed). These guidelines are updated annually and are available from the City of Loveland at www.cityofloveland.org/communitypartnership or by calling 962-2517.

2. If you decide to sell the property to an entity other than an income-qualified buyer, then the city will release the deed restriction upon payment to the city a percentage of the net proceeds from the sale of the property based on the repayment schedule below.

Number of years from original sale	Percentage of Net Proceeds due to City
0-5 years	25%
5-10 years	20%
10-15 years	15%
15-20 years	10%

If you do not sell the property during the 20-year period, the deed restriction will terminate at the end of 20 years.

Enclosed is a copy of the deed restriction for your review. The signed document will be part of your closing packet.

I'm available to answer any questions you have about this matter. Please contact me at 962-2517 or via e-mail at alison.hade@cityoflovelan.org.

Sincerely,



Alison Hade
Community Partnership Administrator

Enclosures

cc: Jammie Sabin, Aspen Homes

EXHIBIT A**Repayment Schedule**

Total amount of Net Proceeds due to the City:

Number of years from original sale	Percentage of Net Proceeds due to City
0-5 years	25%
5-10 years	20%
10-15 years	15%
15-20 years	10%

HERITAGE TITLE COMPANY, INC.

P. 80

2510 E. Harmony Rd. Suite 201, Fort Collins, CO 80528

Phone: (970) 493-3051 Fax: (866) 871-2840

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (SS60-9-08) (Mandatory 1-09)

Sellers Closing Statement ESTIMATED

Escrow No: H0451247 - 081 HNE Close Date: 01/05/2016 Proration Date: 01/05/2016 Date Prepared: 12/9/2015

Seller(s): Paula A. Bernhardt

Buyer(s)/Borrower(s): Sonny Galvan
Tara Galvan

Property: 4427 Elliot Place
Loveland, CO 80538-6438

Brief Legal: LOT 4, BLOCK 8, GIULIANO FIRST SUBDIVISION, LOV (2004005797)

Description	Debit	Credit
TOTAL CONSIDERATION: Sale Price of Property		257,000.00
REAL ESTATE CLOSING CHARGES		
Title - Real estate closing fee to Heritage Title Company, Inc.	140.00	
Title - ALTA Owners Policy 6-17-06 for \$257,000.00 to Heritage Title Company, Inc.	428.00	
Title - 130-06 Owner's Extended Coverage to Heritage Title Company, Inc.	65.00	
ADDITIONAL CHARGES:		
2015 Taxes Escrow to Larimer County Treasurer	2,244.60	
Estimated final water/electric bill to City of Loveland	189.07	
HOA 1st Qtr Dues to Enchantment Ridge	7.25	
HOA Transfer/Status letter fee to Poudre Property Services	350.00	
PORATIONS AND ADJUSTMENTS:		
HOA Working Capital		600.00
Title Insurance Premium Adjustment	642.00	
COMMISSIONS:		
Commission		11,565.00
\$3,855.00 to RE/MAX Alliance		
Earnest money held by RE/MAX Alliance (\$2,500.00)		
\$7,710.00 to Re/Max Alliance		
PROPERTY TAXES		
County Taxes from 1/1/2016 to 1/5/2016 based on the Annual amount of \$1,496.40	16.35	
Sub Totals	15,647.27	257,600.00
Proceeds Due Seller	241,952.73	
Totals	257,600.00	257,600.00

Seller(s):

Paula A. Bernhardt

Settlement Agent:

HERITAGE TITLE COMPANY, INC.

by Honnee Bee Flynn

Listing Agent:

RE/MAX Alliance

We/I have carefully reviewed the Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the Settlement Statement. We/I authorize HERITAGE TITLE COMPANY, INC. to cause the funds to be disbursed in accordance with this statement.



CITY OF LOVELAND

PUBLIC WORKS DEPARTMENT

Administration Offices • 2525 W 1st Street • Loveland, Colorado 80537

(970) 962-2555 • FAX (970) 962-2908 • TDD (970) 962-2620

AGENDA ITEM:

9

MEETING DATE:

1/5/2016

TO:

City Council

FROM:

Leah Browder, Public Works

PRESENTER:

Christopher Barnes, Interim Transit Manager

TITLE:

A Resolution Approving An Intergovernmental Agreement (IGA) Between The City Of Loveland, Colorado And The City Of Fort Collins, Colorado For Bus Service Between Fort Collins And Longmont

RECOMMENDED CITY COUNCIL ACTION:

Adopt the Resolution as submitted.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action. FLEX service would be significantly reduced in Loveland.
3. Adopt a modified action.
4. Refer back to staff for further development and consideration.

SUMMARY:

This is an administrative action to consider a resolution to approve an Intergovernmental Agreement (IGA) with Fort Collins to provide regional bus service between Fort Collins and Longmont along the U.S. Highway 287 corridor. This service is referred to as the Fort Collins-Longmont Express or FLEX route. This IGA covers service for calendar year 2015 and provides the basics for discussion in 2016.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

Funds for the local match portion of the contract (\$100,000) are budgeted into the annual core transit budget

BACKGROUND:

The City of Loveland has been a partner in the regional bus route between Fort Collins and Loveland, previously known as Foxtrot, since 1999. In June of 2010, the City of Loveland was the project sponsor and received funds through the Congestion Mitigation Air Quality (CMAQ) program to fund a three-year pilot project that extended the route from downtown Fort Collins to Longmont. Additional project participants include Fort Collins, Berthoud, City of Longmont, and Boulder County. Larimer County was an original partner at the time of the grant submittal but withdrew funding in 2013.

The FLEX route was established with a performance expectation of a minimum of 20 passengers per hour after the three-year pilot as acceptable for continued operations. To date the route is averaging 20-25 passengers per hour.

As the route operator, Fort Collins/Transfort assumes the risk that the federal allocated dollar amount will be available for payment. The City of Fort Collins/Transfort relies on local matching funding from the partner agencies to operate the service.

Funds for the local match portion of the contract (\$100,000) are budgeted into the core transit budget annually. Future funding options for the long-term operations of the regional route will continue to be considered and will be brought to Council at a later date.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

Resolution

RESOLUTION #R-10-2016

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO AND THE CITY OF FORT COLLINS, COLORADO FOR BUS SERVICE BETWEEN FORT COLLINS AND LONGMONT FOR THE CALENDAR YEAR 2015

WHEREAS, the City of Loveland desires to partner with the City of Fort Collins to provide regional connector bus service between the City of Fort Collins and the City of Longmont along the U.S. Highway 287 corridor, which service is referred to as the “Fort Collins-Longmont Express,” or “FLEX”; and

WHEREAS, as governmental entities in Colorado, the City of Loveland and the City of Fort Collins are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the “Intergovernmental Agreement for Bus Service between Fort Collins and Longmont,” attached hereto as Exhibit A and incorporated herein by reference (“Intergovernmental Agreement”), is hereby approved.

Section 2. That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Intergovernmental Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City.

Section 4. That this Resolution shall be effective as of the date of its adoption.

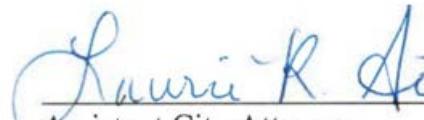
ADOPTED this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Lauri R. Ai
Assistant City Attorney

INTERGOVERNMENTAL AGREEMENT FOR BUS SERVICE BETWEEN FORT COLLINS AND LOVELAND

This Agreement is made this _____ day of _____, 2016, *nunc pro tunc*, January 1, 2015, between the **City of Fort Collins, Colorado**, a municipal corporation, and the **City of Loveland, Colorado**, a municipal corporation.

I. RECITALS

1. WHEREAS, the parties desire to provide regional connector bus service between the City of Fort Collins and the City of Longmont; and

2. WHEREAS, the City of Fort Collins has its own fixed-route bus system (“Transfort”) and has arranged for provision of regional connector bus service along the U.S. Highway 287 corridor between the City of Fort Collins and the City of Longmont (referred to as the “Fort Collins-Longmont Express (FLEX)”; and

3. WHEREAS, the parties have determined that significant economic and efficiency benefits will result for each party through the proposed system of providing connector bus service to the Fort Collins-Longmont Express (FLEX) through the City of Fort Collins Transfort system.

II. CONSIDERATION

4. Now, therefore, in consideration of the mutual promises herein and other good and valuable consideration, receipt and adequacy of which is acknowledged, the parties agree as follows:

III. TERMS

5. The City of Fort Collins shall provide connector bus service in accordance with the terms of this Agreement and as specifically identified and described in **Exhibit A**, consisting of one page, attached hereto and incorporated herein by this reference, throughout the term of this Agreement. Additional service may be provided by the City of Fort Collins, at its discretion, to the extent the City of Fort Collins determines appropriate given the demand for service and available resources.

6. The City of Fort Collins agrees that all services provided under this Agreement shall be provided consistent with Transfort system operating policies and procedures, as the same may be amended, and that all such services shall be provided consistent with the schedule for operation of Transfort.

7. In consideration of the services provided by the City of Fort Collins under this Agreement and the mutual financial commitment herein made, the parties agree that each of the parties shall contribute to the direct and indirect cost of operating the FLEX Route, supplemented by such additional federal or state grant funds as may be available therefor. The total projected expenditures and revenues and the funding from the 2015 FASTER Grant, which was awarded to the

City of Fort Collins for 2015, for the expenditure shortfall are described in Exhibit C. The City of Loveland shall make its payment in the amount of One Hundred Thousand Dollars (\$100,000) to the City of Fort Collins within sixty (60) days after receipt of invoice.

8. Any additional revenues collected by the City of Loveland from the operation of the FLEX shall be remitted to the City of Fort Collins. Such revenue, and any additional revenues collected by the City of Fort Collins from the operation of the FLEX, shall be used to supplement the operation expenses of the FLEX and will equally benefit all responsible parties.

9. The City of Fort Collins shall prepare all necessary grant and pay applications for Federal Transit Administration Section 5307 funds, in the amount of Three Hundred Fifty Thousand Dollars (\$350,000), or any such additional amount of federal or state grant funding as may become available hereafter for use in connection with the FLEX.

10. Revenue from advertising on exterior signs and interior panels on the FLEX bus or from bus shelters or bus bench advertising for bus stops that are served exclusively by the FLEX (collectively, "FLEX Revenue") shall be remitted to the City of Fort Collins. FLEX Revenue will be used to supplement the operation expenses of the FLEX and will equally benefit all responsible parties. **Exhibit B**, consisting of one page, attached hereto and incorporated by this reference, identifies all existing bus benches or bus shelters subject to this subparagraph. **Exhibit B** constitutes a current inventory, but any additional revenue-producing shelters or benches added during the term of this Agreement shall also be subject to this subparagraph. The parties acknowledge and agree that the budget proposal for operation of the FLEX for 2015 (and for subsequent years in the event the term of this Agreement is extended pursuant to Section 18 below) includes projected FLEX Revenue and anticipated revenues from bus fares pursuant to Section 13 below ("FLEX Fare Revenue"). If FLEX Revenue and FLEX Fare Revenue for 2015 (or any subsequent year in the event the term of this Agreement is extended pursuant to Section 18 below) is insufficient to meet the budget for operation of the FLEX the parties may elect to appropriate and pay their prorata share of any shortage. If any party does not appropriate and pay its prorata share of the shortage in FLEX Revenue and FLEX Fare Revenue, the City of Fort Collins may reduce FLEX services as necessary to reduce operating expenses in an amount sufficient to address such a shortage, or terminate FLEX service.

11. The parties anticipate that the FLEX will be supported by additional contributions from the City of Berthoud, the City of Longmont, and Boulder County pursuant to separate Intergovernmental Agreements (the "Additional Supporting Entities"), and the budget proposal for operation of the FLEX for 2015 (and for subsequent years in the event the term of this Agreement is extended pursuant to Section 18 below) includes projected contributions from the Additional Supporting Entities. If any Additional Supporting Entity does not enter into such a separate Intergovernmental Agreement and appropriate and pay its anticipated contribution to support the operation of the FLEX, the City of Fort Collins may reduce FLEX services as necessary to reduce operating expenses in an amount sufficient to address any resulting shortage of revenue, or terminate FLEX service.

12. In the event the City of Fort Collins determines that circumstances require

modification of the FLEX in order to better accommodate the demand for service or the efficient provision of service, the City of Fort Collins shall be entitled to implement such modification, provided that advance notice of any such modification is provided to the City of Loveland.

13. The basic cash fare to be charged for the FLEX shall be One Dollar and Twenty Five Cents (\$1.25) per ride; provided, however, that the City of Fort Collins shall be entitled to modify the fare to be charged by up to fifty percent (50%), as necessary for the efficient and cost-effective operation of the FLEX, and provided further that advance notice of any such modification is provided to the City of Loveland. All City of Fort Collins discounted fare categories for Transfort bus service will apply to the FLEX. The City of Fort Collins shall collect any fares due from passengers and accurately record and account for such fare receipts and ridership levels. The City of Fort Collins shall prepare quarterly reports of such receipts and ridership levels, and shall provide such quarterly reports to each of the parties hereto.

14. All City of Fort Collins and City of Loveland bus pass programs will be accepted as full fare to ride the FLEX. Transfers from the FLEX to the Transfort or City of Loveland Transit ("COLT") bus systems will be honored.

15. Each party shall designate a representative, who shall be responsible for managing such party's performance of the terms of this Agreement, and shall provide the other party with written notice thereof, along with address and telephone information. All notices to be provided under this Agreement shall be provided to such designated representatives.

16. The City of Fort Collins agrees to prepare and submit any applications, reports, or other documentation required in connection with the grant funding provided for the FLEX in accordance with Section 9, above.

17. The parties agree to cooperate fully in the development and implementation of any surveys or studies undertaken by any of the parties in order to evaluate demand, usage, cost, effectiveness, efficiency, or any other factor relating to the success or performance of the FLEX service or the need for such service; provided, however, that such cooperation shall not include the expenditure of funds in excess of the specific amounts set forth in Section 7 above unless approved and appropriated by the parties.

18. This Agreement shall commence on January 1, 2015, and shall continue in full force and effect until December 31, 2015, unless sooner terminated as herein provided. In addition, the parties may extend the Agreement for additional one year periods not to exceed one additional one year period. A written addendum to this Agreement extending its term in accordance with this Section 18 and setting forth the amounts to be contributed by each party during each fiscal year of the extended term of this Agreement shall be executed by the parties no later than sixty (60) days prior to the end of each term of the Agreement. This Agreement is not a multi-year fiscal obligation of any of the parties hereto, and the amount to be contributed or borne by each party in future fiscal years is subject to annual appropriation by the parties.

19. In the event a party has been declared in default, such defaulting party shall be allowed a period of thirty (30) days within which to cure said default. In the event the default remains uncorrected, the party declaring default may elect to terminate the Agreement and so notify the defaulting party in writing. Any amounts due the non-defaulting party shall be paid within fifteen (15) days of the date of notice of termination is received.

20. Liability of the parties shall be apportioned as follows:

a. The City of Fort Collins shall be responsible for any and all claims, damages, liability, and court awards, including costs, expenses, and attorney fees incurred, as a result of any action or omission of the City of Fort Collins or its officers, employees, and agents, in connection with the performance of this Agreement.

b. The City of Loveland shall be responsible for any and all claims, damages, liability, and court awards, including costs, expenses, and attorney fees incurred, as a result of any action or omission of the City of Loveland or its officers, employees, and agents, in connection with the performance of this Agreement.

c. Nothing in this Section 20 or any other provision of this Agreement shall be construed as a waiver of the notice requirements, defenses, immunities, and limitations the City of Fort Collins or the City of Loveland, may have under the Colorado Governmental Immunity Act (Section 24-10-101, 10A C.R.S., *et seq.*) or any other defenses, immunities, or limitations of liability available to any party by law.

21. This Agreement embodies the entire agreement of the parties. The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind or nature not set forth herein.

22. No changes, amendments, or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing and signed by all parties, except as provided herein.

23. The laws of the State of Colorado shall be applied to the interpretation, execution, and enforcement of this Agreement.

24. Any provision rendered null and void by operation of law shall not invalidate the remainder of this Agreement to the extent that this Agreement is capable of execution.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

[End of page.]

CITY OF FORT COLLINS, COLORADO
a municipal corporation

By: _____
Darin Atteberry, City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Deputy City Attorney

CITY OF LOVELAND, COLORADO
a municipal corporation

By: _____
William D. Cahill, City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

EXHIBIT A

The City of Fort Collins will operate regional connector bus service between the City of Longmont and the City of Fort Collins. Service will be provided within the following parameters:

- **Days of Service** – Monday – Saturday, except for New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- **Hours of Service** – 5AM – 8 PM
- **Frequency of Service** – 60 Minutes
- **Service Area** –

The route begins at the South Transit Center, southwest of Harmony Road and US-287. The bus stops at US 287 and Skyway Drive in Fort Collins.

The route will then proceed on to US 287 resuming southbound direction. The bus will enter the Orchards Shopping Center via the northern entrance to the Transfer Point. The bus will exit the shopping center on Buchanan Avenue. The route will travel south on US 287 and the bus will stop on 8th Street. The route will continue south bound on US 287 and the bus will stop on SW 14th Street.

The route will follow US 287 to Co Rd 15 into Berthoud. The route will turn West on Mountain Avenue and the bus will stop at Mountain Avenue and 3rd Street. The route will continue west on Mountain Avenue and resume the Southbound direction at US 287.

The route will continue South on US 287 into Longmont. The bus will stop at 23rd and Main Street as well as 9th and Coffman in Longmont.

Due to the limited number of stops along this route, this route is not a fixed route and complementary paratransit service is not required.

EXHIBIT B

Benches and shelters served exclusively by the Fort Collins-Longmont Express (Flex):

Fort Collins:

NB Hwy 287 N/O Skyway ES	Bench #1105
NB College Ave N/O Fossil Creek Parkway ES	Bench #1106
SB College Ave S/O Cameron Rd WS	Shelter #1073

Larimer County:

NB Hwy 287 S/O Carpenter Rd ES	Shelter #1103
SB Hwy 287 S/O Trilby WS	Shelter #1075

Loveland:

NB Hwy 287 N/O 37 th St ES	Shelter #1097
SB Hwy 287 S/O 37 th St ES	Bench #1082
SB Hwy 287 S/O 41 st St WS	Bench #1081
NB Hwy 287 S/O 43 rd St ES	Bench #1098
NB Hwy 287 N/O 45 th St ES	Bench #1099
SB Hwy 287 S/O 45 th St WS	Shelter #1080
NB Hwy 287 N/O 50 th St ES	Bench #1100
SB Hwy 287 S/O 50 th St WS	Bench #1079
SB Hwy 287 S/O 57 th St WS	Bench #1078
NB Hwy 287 N/O 57 th St ES	Shelter #1101
NB Hwy 287 N/O 71 st St ES	Bench #1102
SB Hwy 287 S/O 71 st St WS	Shelter #1077



Transport / Dial-A-Ride
6570 Portner Road
Fort Collins, CO 80522
970.221.6620
970.221.6285 - fax
fcgov.com

Memorandum

DATE: March 5, 2015

TO: FLEX Partners

THROUGH: Kurt Ravenschlag, Transport General Manager
Timothy Wilder, Service Development Manager

FROM: Emma Belmont, Transit Planner

SUBJECT: Flex 2015 Funding Request and Overview

This memo accompanies the FLEX partner draft IGAs and provides information on anticipated 2015 Revenue and Expenditures related to the FLEX service between Fort Collins and Longmont.

No significant changes in funding are expected in 2015. A future source of funding, CDOT FASTER funds, does not become available until the last quarter of 2015 and is not expected to offset partner contributions.

*Information regarding the grant funded expansion into the City of Boulder is not included as the details are still a work in progress.

Please forward your agency's DRAFT IGA to your legal counsel for review. If they have any changes, send back to Fort Collins for our legal review prior to moving forward with final signatures.

Total Projected Expenditures – 2015

Payroll	\$	405,243
Fuel	\$	155,141
Maintenance	\$	<u>229,447</u>
	\$	789,831

Total Projected Revenue – 2015

Fort Collins Contribution	\$	450,000
Loveland Contribution	\$	100,000
Berthoud Contribution	\$	10,000
Longmont Contribution	\$	45,000
Boulder County Contribution	\$	45,000
ECO Pass Reimbursement	\$	5,000
Fares	\$	<u>52,000</u>
	\$	707,000

Shortfall/FASTER Funding	\$	<u>82,831</u>
	\$	789,831



CITY OF LOVELAND
ECONOMIC DEVELOPMENT OFFICE
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2304 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 10
MEETING DATE: 1/19/2016
TO: City Council
FROM: City Manager's Office
PRESENTER: Bill Cahill, City Manager

TITLE:

A Resolution Appointing Members to the Downtown Development Authority Board

RECOMMENDED CITY COUNCIL ACTION:

Approve the Resolution

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.

SUMMARY:

This is an administrative item to approve the Resolution appointing members to the Downtown Development Authority (DDA) Board. If the Resolution is approved, Joe Goacher will be appointed to a term effective until June 30, 2017 and Jackie Marsh will be appointed to a term effective until June 30, 2016.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

Dionne Liggett resigned from the DDA Board causing a vacancy for the remainder of her term effective until June 30, 2017. In order to ensure continuity in leadership during this critical and initial implementation period, the Board is recommending the appointment of Joe Goacher to fill the term vacated by Liggett effective until June 30, 2017. Consequently, Goacher has offered his resignation (effective upon his appointment to the new term) for his initial Board term resulting in a vacant term effective until June 30, 2016.

A subcommittee of the Board conducted interviews of three candidates from the May 2015 applicant pool. As a result, the Board is recommending the appointment of Jackie Marsh to fill the remaining initial term vacated by Goacher effective until June 30, 2016.

These appointments meet the qualifications as established in C.R.S. §31-25-806.

REVIEWED BY CITY MANAGER:

William D. Cahill

LIST OF ATTACHMENTS:

Resolution

RESOLUTION #R-11-2016

A RESOLUTION APPOINTING MEMBERS TO THE DOWNTOWN DEVELOPMENT AUTHORITY BOARD

WHEREAS, by Ordinance No. 5960, approved on second reading by the City Council of the City of Loveland, Colorado (“City Council”) on December 2, 2014, City Council determined to establish a downtown development authority, pursuant to Title 31, Article 25, Part 8, Colorado Revised Statutes, as amended, (the “DDA Act”) and to submit the question to a vote of the qualified electors within the central business district and downtown; and

WHEREAS, pursuant to the DDA Act at C.R.S. §31-25-804, as amended, and Ordinance 5960, the question of establishing a downtown development authority was submitted to and approved by a majority of the qualified electors at a special election held on Tuesday, February 10, 2015, and,

WHEREAS, pursuant to Ordinance No. 5927, approved on second reading by the City Council on April 7, 2015, the Loveland Downtown Development Authority (the “DDA”) was established in accordance with the DDA Act and the boundaries of the DDA (the “District”) were established; and

WHEREAS, pursuant to the DDA Act at CRS §31-25-805 and by adoption of Resolution #R-26-2015, City Council established a board to supervise and control the DDA (“DDA Board”) consisting of seven (7) members to be appointed by City Council, including one (1) City Council member and six (6) members meeting the qualifications set forth in the DDA Act at CRS §31-25-806; and

WHEREAS, by adoption of Resolution #R-26-2015 City Council also appointed City Council member John Fogel to serve at the pleasure of the Council as a member of the DDA Board and so long as Larimer County owns real property within the boundaries of the District as set forth in Ordinance 5906, one of the remaining six (6) members of the DDA Board shall be a Larimer County Commissioner selected by the Larimer County Commissioners and recommended to the City Council to serve in such capacity; and

WHEREAS, by adoption of Resolution #R-28-2015 City Council also appointed the remaining six (6) members of the DDA Board with members meeting the qualifications set forth in CRS §31-25-806.

WHEREAS, the DDA Board has a vacancy for a term effective until June 30, 2017 due to the resignation of Dionne Liggett; and a second vacancy for a term effective until June 30, 2016 due to the resignation of Joe Goacher which is effective upon his appointment to the term vacated by Liggett.

WHEREAS, Council desires to make the following appointments with members meeting the qualifications set forth in CRS §31-25-806.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. The City Council hereby appoints the following residents, business lessees or owners of real property within the District as members of the DDA Board for the terms set forth below:

<u>Name</u>	<u>Expiration of Term</u>
Joe Goacher	June 30, 2017
Jackie Marsh	June 30, 2016

Section 2. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Tammy Yaffee
City Attorney



CITY OF LOVELAND
CITY ATTORNEY'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2540 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 11
MEETING DATE: 1/19/2016
TO: City Council
FROM: Bill Cahill, City Manager
PRESENTER: Bill Cahill, City Manager

TITLE:

A Resolution Approving A Contribution To The Fix North I-25 Business Alliance

RECOMMENDED CITY COUNCIL ACTION:

Approve the resolution.

OPTIONS:

1. Adopt the action as recommended, which provides a contribution with an appropriation action then to follow at a later date.
2. Deny the action, which fails to give Loveland's support for the I-25 efforts.
3. Adopt a modified action (specify in motion).

SUMMARY:

This resolution is an administrative action to contribute \$20,000 for the support of the Fix North I-25 Business Alliance. The request is made by the Loveland Chamber of Commerce; similar requests are being made of other local governments. The funding will be used to support advocacy for improvements of North Interstate 25, which have traditionally been deemed highly important by the City Council.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

The proposed contribution is \$20,000 and will decrease the General Fund unassigned balance by that amount when an appropriation request is made. As of January 6th the unassigned General Fund balance is \$6,446,959.

BACKGROUND:

The Loveland Chamber of Commerce has approached the City of Loveland seeking a contribution for the Fix North I-25 Business Alliance, which leads advocacy efforts for improvements to North Interstate 25. As the Council is aware, needed improvements to I-25 north of Denver were estimated in the I-25 Environmental Impact Report (EIR) in 2011 to cost over \$1 billion, and the projected time estimate for completion of improvements was over 70 years.

This timeframe was found widely unacceptable among local governments and residents in northern Colorado, which has led to regional efforts to gain more support and funding for I-25 projects to be built sooner. We have expected that Loveland would receive a funding request at

some point for these efforts due to the need for effective advocacy for I-25. It should be expected that this will be a long-term effort with repeated annual contributions in the future.

Staff have responded to the Chamber that staff would support and recommend a City contribution of \$20,000 provided that the Business Alliance can raise a total of \$100,000 (including Loveland's money). This effort is important to Loveland but it's equally important that many others contribute in order to have an effective alliance.

These additional contributions are coming in. The Fort Collins Chamber has raised \$67,000 from a total resource campaign for the Fix North I-25 Business Alliance for 2016. The Greeley Chamber recently contributed an additional \$10,000, and the Loveland Chamber has \$11,000 in other pledges to date. The City of Fort Collins is likewise being approached for a contribution.

Staff recommends making a \$20,000 contribution to demonstrate Loveland's support. This funding is available for immediate contribution from the City Manager's budget, and will be made up for in a proposed supplemental appropriation from the General Fund unassigned balance in the annual April supplementals.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

Resolution

RESOLUTION #R-12-2016**A RESOLUTION APPROVING A CONTRIBUTION TO THE FIX NORTH I-25 BUSINESS ALLIANCE**

WHEREAS, the City of Loveland, a home rule municipality, (“City”) recognizes that I-25 is an integral part of the transportation system in northern Colorado that connects communities along the Front Range, including the City of Loveland; and

WHEREAS, the Loveland Chamber of Commerce has approached the City of Loveland seeking a contribution for the Fix North I-25 Business Alliance; and

WHEREAS, City Council previously adopted resolution #R-81-2015 supporting Larimer County’s efforts to shift funds for road and bridge improvements along I-25; and

WHEREAS, City Council supports the purpose and goal of the Fix North I-25 Business Alliance, which is to lead advocacy efforts for improvements to North I-25.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City of Loveland hereby supports the Fix North I-25 Business Alliance and that the Loveland City Council hereby approves a \$20,000 contribution to the Fix North I-25 Business Alliance.

Section 2. That this Resolution shall go into effect as of the date and time of its adoption.

Adopted this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney



CITY OF LOVELAND
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 12
MEETING DATE: 1/19/2016
TO: Mayor and City Council
FROM: City Council Legislative Review Committee
PRESENTER: Rod Wensing, Assistant City Manager

TITLE:
City of Loveland 2016 Legislative Policy Agenda Brochure

RECOMMENDED CITY COUNCIL ACTION:
A motion to adopt the attached 2016 City Council Legislative Policy Agenda

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.
3. Adopt a modified action. (specify in the motion)
4. Refer back to staff for further development and consideration.

SUMMARY:

This is an administrative action. The Council Legislative Review Committee members Mayor Gutierrez and Councilors Fogle and Shaffer as well as City staff are seeking a motion to approve the attached 2016 Loveland City Council Legislative Policy Agenda Brochure and authorize the City Manager and designees to respond promptly, carefully, and appropriately to legislative positions indicated within the Council's Legislative Policy, as well as other legislative items or action that may adversely impact the interests of the City and its citizens as they arise.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

As in the past, this Legislative Policy Agenda Brochure is purposely designed to allow flexibility to the organization while still highlighting locally focused concerns and values for use by all Councilors and staff when approaching legislative issues at the State and Federal level.

Proposed 2016 changes to the policy statements page are few via the Committee and include the alphabetical realignment of the sections, migrating of the Urban Renewal area language to now highlight Downtown Development Authorities due to the passage of HB 15-1348, and referring to the Market Place Fairness Act to better align with the efforts of the National League of Cities. Jason Licon, FNL Director has added some FAA related information to the end of the Highway and Transportation Funding section.

Please note that the Council will have an opportunity to ask more specific 2016 legislative questions to our Federal and State representatives during our afternoon event scheduled for January 29th.

Please note that a copy of the approved 2015 Brochure is also attached for your convenience.

REVIEWED BY CITY MANAGER:



LIST OF ATTACHMENTS:

1. Proposed 2016 Loveland City Council Legislative Policy Agenda Brochure
2. Adopted 2015 Brochure

CITY MANAGEMENT STAFF

Bill Cahill, City Manager
970-962-2306 bill.cahill@cityofloveland.org

Rod Wensing, Assistant City Manager
970-962-2301 rod.wensing@cityofloveland.org

Tami Yellico, City Attorney
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Elizabeth Anderson, Parks & Recreation Director
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Steve Adams, Water & Power Director
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Terry Andrews, City Clerk
907-962-2322 terry.andrews@cityofloveland.org

Leah Browder, Public Works Director
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Tim Brown, Interim Police Chief
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Julia Holland, Human Resources Director
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Susan Ison, Cultural Services Director
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Marcia Lewis, Library Director
970-962-2404 marcia.lewis@cityofloveland.org

Mark Miller, Fire Chief
970-962-2827 mark.miller@cityofloveland.org

Bob Paulsen, Interim Development Services Director
970-962-2670 robert.paulsen@cityofloveland.org

Rod Wensing, Interim Economic Development Director
970-962-2301 rod.wensing@cityofloveland.org

Bill Westbrook, Information Technology Director
970-962-2330 bill.westbrook@cityofloveland.org

Brent Worthington, Finance Director
970-962-2300 brent.worthington@cityofloveland.org

CITY OF LOVELAND COLORADO

Loveland is a community of approximately 75,000 residents, located at the foot of the Rocky Mountains along Colorado's Front Range. It is central to the Northern Colorado region at the intersection of Interstate 25 and US Highway 34. Our community is rich with natural beauty, accentuated by the Big Thompson River and Lake Loveland at its heart. Our trails and parks systems showcase the natural beauty. Loveland is a nationally renowned center for art, particularly sculpture.

Loveland has a **Council-Manager form of government**. The citizens of Loveland passed their Home Rule Charter in May 1996. The City of Loveland provides a full range of services including: solid waste, electricity, water, sewer, storm water, fire, police, parks, recreation, street maintenance, airport, transit, library, museum, theater, public art, tourism and other traditional municipal services.

Sales tax and fees for services are the primary sources of revenue. Loveland collects its own sales tax. While citizens want to retain the right to vote on all new taxes, they voted in November 2011 to allow the City to keep revenues in excess of the TABOR revenue limit through 2024. Any excess revenues are restricted to specific purposes (i.e. parks, fire, and police).

POLICY AGENDA

This Executive Summary of the Loveland City Council Legislative Policy Agenda contains highlights of policy statements for use by Council members and staff in approaching legislative issues. The City of Loveland is an active member of the Colorado Municipal League and National League of Cities.

For additional information contact:

Rod Wensing
Assistant City Manager
City of Loveland
500 E. Third Street
Loveland, Colorado 80537
970-962-2301
rod.wensing@cityofloveland.org
www.cityofloveland.org



2016 Legislative Policy Agenda Executive Summary

CITY COUNCIL

Mayor Cecil Gutierrez
Richard Ball
Dave Clark
John Fogle
Leah Johnson
Troy Krenning
Hugh McKean
Don Overcash
Joan Shaffer

LEGISLATIVE REVIEW COMMITTEE

Mayor Cecil Gutierrez
Mayor Pro Tem John Fogle
Councilor Joan Shaffer

BUDGET

The City opposes state and federal mandates that are not funded by those levels of government.

Managing scarce resources is difficult at every level of government. The City of Loveland supports intergovernmental partnerships and collaborative problem solving. We are not in a position to be able to absorb the costs of programs mandated by federal and state governments.

DOWNTOWN DEVELOPMENT AUTHORITY

Loveland supports policies that provide viable local financing mechanisms directed at transforming unproductive and unsafe downtown property into an asset that creates value for the community.

FLOOD RECOVERY

Loveland strongly encourages the State to develop a more effective and expeditious means of distributing owed FEMA reimbursements for the 2013 flood losses and damages of community assets. This action will allow the City to fund important and necessary infrastructure projects that will improve local resiliency in the future.

HIGHWAY AND TRANSPORTATION FUNDING

Loveland supports efforts to increase funding for all transportation needs.

Transportation is a priority. Loveland advocates for the development of regional transportation funding sources to assist with the solutions to the interstate and state highway infrastructure deficiencies. Loveland also supports expanding the authority of local taxing bodies to generate local matching funds for transportation improvements.

Congressional action on Federal transportation funding, particularly regional aviation, is essential to the economic health of Loveland and Northern Colorado. The funding strategy within the FAA Programs are currently a one size fits all approach that could be changed to aligned with true airport activity levels.

LOCAL CONTROL

Loveland strongly supports the preservation of local control.

We strongly support local control and home rule. The citizens of home rule municipal governments are entitled through the State Constitution to maximum flexibility and discretion in levying taxes and fees, determining community goals, implementing local policy, and delivering public services. The City of Loveland can be most responsive to its citizens through the preservation of home rule authority, particularly as it pertains to labor/management relations, local police powers, the provision of municipal utility services and the administration of land use policy.

TAX POLICY

Loveland advocates for a complete reevaluation of all of the components of Colorado's tax structure to arrive at a comprehensive solution to more appropriately address the impact of economic fluctuations equitably across all functional areas within the State budget. The burden of state-imposed tax relief should not be borne by local government. Additionally, we support policies which expand the capabilities of value-creating local finance mechanisms such as development authorities.

Marketplace Fairness Act

Loveland maintains that web-based internet businesses should be required to collect local sales taxes in a similar manner as brick and mortar businesses in order to create commerce equity.

Motor Vehicle Use Tax

Loveland supports the current distribution of the Motor Vehicle use tax as allocated to the jurisdiction in which the vehicle is registered so that the tax can support the street maintenance effort where the vehicle is domiciled. Loveland supports continued utilization of FASTER fees to support local transit and transportation priorities.

WATER & POWER RESOURCES

Loveland depends on water supplied from the Big Thompson River, the Colorado-Big Thompson Project and the Windy Gap Project. Our ability to fully develop and utilize these resources is crucial to our community's sustainability and success.

Basin of Origin

Any transfer of native flows from Northern Colorado to other basins must compensate the native basin. Any basin of origin bill must not unduly inhibit Loveland's ability to acquire agricultural water rights and change the use of any such rights for inclusion in Loveland's water supply system.

Federal Carbon Regulations

We support sensible regulation of carbon output that is balanced with the economic interests of our residents and businesses. Our investments in clean energy production through the Platte River Power Authority must be credited along with a sensible consideration of facility location when new regulations are proposed.

Water Quality

Water quality proposals must not infringe on Loveland's ability to seek water court protection of its water rights.

Water Supply Development

Loveland would likely support policies designed to encourage water supply development within the existing framework of the Colorado water law.

Well Regulation

Well regulation proposals must ensure that junior well depletions are fully replaced so that senior water rights are fully protected.

Public Trust Doctrine

Loveland opposes any efforts to revise the administration of water rights that would change the stream flow regime for rivers and could damage Loveland's critical water supply planning efforts.

CITY MANAGEMENT STAFF

Bill Cahill, City Manager
970-962-2306 bill.cahill@cityofloveland.org

Rod Wensing, Assistant City Manager
970-962-2301 rod.wensing@cityofloveland.org

Tami Yellico, City Attorney
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Keven Aggers, Acting Parks & Recreation Director
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Steve Adams, Water & Power Director
970-962-3559 steve.adams@cityofloveland.org

Terry Andrews, City Clerk
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Leah Browder, Public Works Director
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Greg George, Development Services Director
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Betsey Hale, Economic Development Director
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Luke Hecker, Police Chief
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Marcia Lewis, Library Director
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Mark Miller, Fire Chief
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Bill Westbrook, Information Technology Director
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Brent Worthington, Finance Director
970-962-2300 brent.worthington@cityofloveland.org

LOVELAND, COLORADO

Loveland is a community of approximately 71,000 residents, located at the foot of the Rocky Mountains along Colorado's Front Range. It is central to the Northern Colorado region at the intersection of Interstate 25 and US Highway 34. Our community is rich with natural beauty, accentuated by the Big Thompson River and Lake Loveland at its heart. Our trails and parks systems showcase the natural beauty. Loveland is a nationally renowned center for art, particularly sculpture.

Loveland has a **Council-Manager form of government**. The citizens of Loveland passed their Home Rule Charter in May 1996. The City of Loveland provides a full range of services including: solid waste, electricity, water, sewer, storm water, fire, police, parks, recreation, street maintenance, airport, transit, library, museum, theater, public art, tourism and other traditional municipal services.

Sales tax and fees for services are the primary sources of revenue. Loveland collects its own sales tax. While citizens want to retain the right to vote on all new taxes, they voted in November 2011 to allow the City to keep revenues in excess of the TABOR revenue limit through 2024. Any excess revenues are restricted to specific purposes (i.e. parks, fire, and police).

POLICY AGENDA

This Executive Summary of the Loveland City Council Legislative Policy Agenda contains highlights of policy statements for use by Council members and staff in approaching legislative issues. The City of Loveland is an active member of the Colorado Municipal League and National League of Cities.

For additional information contact:

Rod Wensing
Assistant City Manager
City of Loveland
500 E. Third Street
Loveland, Colorado 80537
970-962-2301
rod.wensing@cityofloveland.org
www.cityofloveland.org

CITY OF LOVELAND COLORADO



2015 Legislative Policy Agenda Executive Summary

CITY COUNCIL

Mayor Cecil Gutierrez
Dave Clark
Phil Farley
John Fogle
Troy Krenning
Hugh McKean
Joan Shaffer
Chauncey Taylor
Ralph Trenary

LEGISLATIVE REVIEW COMMITTEE

Councilor Joan Shaffer
Councilor Ralph Trenary
Councilor Chauncey Taylor

WATER & POWER RESOURCES

Loveland depends on water supplied from the Big Thompson River, the Colorado-Big Thompson Project and the Windy Gap Project. Our ability to fully develop and utilize these resources is crucial to our community's sustainability and success.

Basin of Origin

Any transfer of native flows from Northern Colorado to other basins must compensate the native basin. Any basin of origin bill must not unduly inhibit Loveland's ability to acquire agricultural water rights and change the use of any such rights for inclusion in Loveland's water supply system.

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Water quality proposals must not infringe on Loveland's ability to seek water court protection of its water rights.

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FEDERAL CARBON REGULATIONS

We support sensible regulation of carbon output that is balanced with the economic interests of our residents and businesses. Our investments in clean energy production through the Platte River Power Authority must be credited along with a sensible consideration of facility location when new regulations are proposed

LOCAL CONTROL

Loveland strongly supports the preservation of local control.

We strongly support local control and home rule. The citizens of home rule municipal governments are entitled through the State Constitution to maximum flexibility and discretion in levying taxes and fees, determining community goals, implementing local policy, and delivering public services. The City of Loveland can be most responsive to its citizens through the preservation of home rule authority, particularly as it pertains to labor/management relations, local police powers, the provision of municipal utility services and the administration of land use policy.

BUDGET

The City opposes state and federal mandates that are not funded by those levels of government.

Managing scarce resources is difficult at every level of government. The City of Loveland supports intergovernmental partnerships and collaborative problem solving. We are not in a position to be able to absorb the costs of programs mandated by federal and state governments.

HIGHWAY AND TRANSPORTATION FUNDING

Loveland supports efforts to increase funding for transportation needs.

Transportation is a priority. Loveland advocates for the development of regional transportation funding sources to assist with the solutions to the interstate and state highway infrastructure deficiencies. Loveland also supports expanding the authority of local-taxing authorities to generate local matching funds for transportation improvements. Congressional action on long term Federal transportation funding is essential to the economic health of Loveland and Northern Colorado, and to support Loveland's ability to plan and assist local and regional economic development

URBAN RENEWAL AUTHORITY

Loveland supports policies that provide viable local financing mechanisms directed at transforming unproductive and unsafe property into an asset that creates value for the community.

TAX POLICY

Loveland advocates for a complete reevaluation of all of the components of Colorado's tax structure to arrive at a comprehensive solution to more appropriately address the impact of economic fluctuations equitably across all functional areas within the State budget. The burden of state-imposed tax relief should not be borne by local government.

Internet Sales Tax Collection

Loveland maintains that web-based internet businesses should be required to collect local sales taxes in a similar manner as brick and mortar businesses in order to create commerce equity.

Motor Vehicle Use Tax

Loveland supports the current distribution of the Motor Vehicle use tax as allocated to the jurisdiction in which the vehicle is registered so that the tax can support the street maintenance effort where the vehicle is domiciled. Loveland supports continued utilization of FASTER fees to support local transit and transportation priorities.

FLOOD RECOVERY

Loveland strongly encourages the State to develop a more effective and expeditious means of distributing owed FEMA reimbursements for the 2013 flood losses and damages of community assets. This action will allow the City to fund important and necessary infrastructure projects that will improve local resiliency in the future.



CITY OF LOVELAND
LOVELAND FIRE RESCUE AUTHORITY
Administration Offices • 410 East Fifth Street • Loveland, Colorado 80537
(970) 962-2471 • FAX (970) 962-2922 • TDD (970) 962-2620

AGENDA ITEM: 13
MEETING DATE: 1/19/2016
TO: City Council
FROM: Mark Miller, Fire Chief
PRESENTER: Mark Miller, Fire Chief

TITLE:

Motion To Approve An Engine Purchase Contract With SVI, Inc. For \$512,000

RECOMMENDED CITY COUNCIL ACTION:

Approve the Purchase Contract

SUMMARY:

This is an administrative action to approve a budgeted, replacement fire engine purchase in excess of \$500,000 as required by municipal code. The engine is being purchased through a cooperative purchasing agreement for \$512,000. It is a Spartan cab and chassis that is constructed to meet specifications. The City has successfully used the cooperative purchasing agreement to buy other apparatus and equipment over the years. The specifications of this engine are consistent with the LFRA engine standardization strategy.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

The 2016 budget for the engine replacement is \$652,300. There is additional small equipment required to make the engine service ready that will be purchased separately; and we fully expect that the engine at \$512,000 and the additional equipment will be less than the total 2016 budget appropriation by City Council. The funds to purchase this apparatus will come out of the City Capital Replacement Fund.

BACKGROUND:

The LFRA leases City apparatus for its use in providing emergency services pursuant to Section 6.2 of the Intergovernmental Agreement dated August 19, 2011 and Section 3 of the Intergovernmental Agreement dated December 12, 2011. Said agreements require that the cost of replacement of leased apparatus be borne by the City as it is the owner of the fire engine to be replaced. This replacement engine will be purchased with City funds and used by the LFRA under the lease provisions of the intergovernmental agreements listed above.

The competitive bidding process is performed by the cooperative purchasing organizations like HGAC. Then governmental organizations throughout the nation are able to use those bids. Each contract has a fee of \$2,000. Given the effort required to put together the specification and bid apparatus, staff has estimated that the \$2,000 is cheaper than the collective staff effort to complete this process. Informally staff monitors purchases in the area just to ensure that the bid

contracts are locally competitive. HGAC bids are good for two years. There are several engine specification (with published options) bids. The local organization selects the engine that best meets their needs and is able to select unpublished options for the engine less than 25% of the total bid price to meet their particular needs. The unpublished options selected by LFRA are 2% of the bid price, and therefore they are well within the allowable range. The information is available on the contract pricing worksheet attached. Once this contract pricing worksheet is developed it must be approved by HGAC to ensure it meets all the contract criteria. That verification step has been performed, and it was approved by HGAC.

The City of Loveland has been a member of HGAC for a number of years and has made a variety of truck, fire apparatus and equipment purchases with them. Most recently, we purchased fire apparatus from them in 2011 and 2013. This relationship has worked very well over the years and has proven to be a beneficial way to ensure taxpayer funds are spent cost effectively.

The contract is attached with the contract pricing sheet. The specifications of the engine are attached to the official contract documents and are available upon request. They are not included in the packet, because the document is 137 pages long.

SVI has constructed apparatus for Loveland in the past and has proven to be an excellent company. They were a Loveland company and moved to Fort Collins to expand their business and have their manufacturing operations in a single location. This local business relationship has been beneficial for local inspections prior to taking possession of the engine. They have also done a tremendous job with engine repairs over the years.

Since the contract is for replacement of an engine owned by the city and the amount of the contract is over \$500,000, it is required to come to the City Council for approval. Staff recommends approving the contract as written.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

Contract and Contract Pricing Worksheet

CONTRACT

THIS CONTRACT is made and entered into this _____ day of _____, 20____, by and between the CITY OF LOVELAND, COLORADO, a home rule municipality ("City"), and SVI Trucks ("Supplier").

Supplier, in consideration of the sum to be paid to Supplier by City, and of the covenants and agreements contained herein and in the Houston-Galveston Area Council (H-GAC) Contract Documents #FS12-15, which are attached hereto as Exhibit A, and incorporated herein by reference; to the extent of Supplier's bid effective December 1, 2015 through November 30, 2017, attached hereto as Exhibit B and incorporated herein by reference, (together hereinafter referred to as "Contract Documents"); hereby agrees at Supplier's own proper cost and expense to supply all materials and/or equipment for **one custom made Spartan 4-Door, Aluminum Tilt Cab, 4X2, Aluminum Body, Single Axle, 1250 GPM Pump, (Mid-Mounted Pump)** in full compliance with the Contract Documents.

In consideration of Supplier's performance hereunder, City agrees to pay to Supplier an amount not to exceed FIVE HUNDRED TWELVE THOUSAND DOLLARS (\$512,000.00), as adjusted in accordance with the Contract Documents, and to make such payments in the manner and at the times provided in the attached Exhibit A.

Time is of the essence for this Contract. Supplier agrees to delivery of the equipment as set forth in the Contract Documents and accepts as full payment hereunder the quantities computed as determined by the Contract Documents and based on the unit prices set forth in the Bid.

IN WITNESS WHEREOF, the parties have executed this Contract the day and year written above.

SUPPLIER: SVI Trucks

(S E A L)

By: _____

Title: _____

Attest:

Corporate Secretary

CITY OF LOVELAND, COLORADO

(S E A L)

By: _____

Title: _____

Attest:

Approve as to Form:

City Clerk

Assistant City Attorney

EXHIBIT A

A CONTRACT BETWEEN
HOUSTON-GALVESTON AREA COUNCIL
 Houston, Texas
 AND
SUPER VACUUM MANUFACTURING CO., INC.
 Fort Collins, Colorado

This Contract is made and entered into by the **Houston-Galveston Area Council of Governments**, hereinafter referred to as **H-GAC**, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND, **Super Vacuum Manufacturing Co., Inc.**, hereinafter referred to as the **CONTRACTOR**, having its principal place of business at 3842 Redman Drive, Fort Collins, Colorado 80524.

ARTICLE 1:**SCOPE OF SERVICES**

The parties have entered into a **Fire Service Apparatus (All Types)** Contract to become effective as of December 1, 2015, and to continue through November 30, 2017 (the "Contract"), subject to extension upon mutual agreement of the **CONTRACTOR** and **H-GAC**. **H-GAC** enters into the Contract as Agent for participating governmental agencies, each hereinafter referred to as **END USER**, for the purchase of **Fire Service Apparatus (All Types)** offered by the **CONTRACTOR** in states other than Texas. The **CONTRACTOR** agrees to sell **Fire Service Apparatus (All Types)** through the **H-GAC** Contract to **END USERS** in states other than Texas.

ARTICLE 2:**THE COMPLETE AGREEMENT**

The Contract shall consist of the documents identified below in order of precedence:

1. The text of this Contract form, including but not limited to, Attachment A
2. General Terms and Conditions
3. Bid Specifications No: **FS12-15**, including any relevant suffixes
4. **CONTRACTOR's** Response to Bid No: **FS12-15**, including but not limited to, prices and options offered

All of which are either attached hereto or incorporated by reference and hereby made a part of this Contract, and shall constitute the complete agreement between the parties hereto. This Contract supersedes any and all oral or written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

ARTICLE 3:**LEGAL AUTHORITY**

CONTRACTOR and **H-GAC** warrant and represent to each other that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind the parties to the terms of this Contract and any subsequent amendments thereto.

ARTICLE 4:**APPLICABLE LAWS**

The parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances, ordinances, and laws in effect or promulgated during the term of this Contract.

ARTICLE 5:**INDEPENDENT CONTRACTOR**

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent status of **H-GAC** or **CONTRACTOR**. No provision of this Contract or act of **H-GAC** in performance of this Contract shall be construed as making **CONTRACTOR** the agent, servant or employee of **H-GAC**, the State of Texas or the United States Government. Employees of **CONTRACTOR** are subject to the exclusive control and supervision of **CONTRACTOR**. **CONTRACTOR** is solely responsible for employee payrolls and claims arising therefrom.

ARTICLE 6:**END USER AGREEMENTS**

H-GAC acknowledges that the **END USER** may choose to enter into an End User Agreement with the **CONTRACTOR** through this Contract and that the term of said Agreement may exceed the term of the **H-GAC** Contract. However this acknowledgement is not to be construed as **H-GAC's** endorsement or approval of the End User Agreement terms and conditions. **CONTRACTOR** agrees not to offer to, agree to or accept from **END USER** any terms or conditions that conflict with or contravene those in **CONTRACTOR's** **H-GAC** contract. Further, termination of this Contract for any reason shall not result in the termination of the underlying End User Agreements entered into between **CONTRACTOR** and any **END USER** which shall, in each instance, continue pursuant to their stated terms and duration. The only effect of termination of this Contract is that **CONTRACTOR** will no longer be able to enter into any new End User Agreements with **END USERS** pursuant to this Contract. Applicable **H-GAC** order processing charges will be due and payable to **H-GAC** on any End User Agreements surviving termination of this Contract between **H-GAC** and **CONTRACTOR**.

ARTICLE 7:**SUBCONTRACTS & ASSIGNMENTS**

CONTRACTOR agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Contract or any right, title, obligation or interest it may have therein to any third party without prior written notice to **H-GAC**. **H-GAC** reserves the right to accept or reject any such change. **CONTRACTOR** shall continue to remain responsible for all performance under this Contract regardless of any subcontract or assignment. **H-GAC** shall be liable solely to **CONTRACTOR** and not to any of its Subcontractors or Assignees.

ARTICLE 8:**EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS**

CONTRACTOR shall maintain during the course of its work, complete and accurate records of items that are chargeable to **END USER** under this Contract. **H-GAC**, through its staff or its designated public accounting firm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect copy and audit those records on or off the premises of **CONTRACTOR**. Failure to provide access to records may be cause for termination of this Contract. **CONTRACTOR** shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract closeout and until any outstanding litigation, audit or claim has been resolved. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. **CONTRACTOR** further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that **H-GAC'S** duly authorized representatives, shall, until the expiration of five (5) calendar years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy any directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

ARTICLE 9:**REPORTING REQUIREMENTS**

CONTRACTOR agrees to submit reports or other documentation in accordance with the General Terms and Conditions of the Bid Specifications. If **CONTRACTOR** fails to submit to **H-GAC** in a timely and satisfactory manner any such report or documentation, or otherwise fails to satisfactorily render performance hereunder, such failure may be considered cause for termination of this Contract.

ARTICLE 10:**MOST FAVORED CUSTOMER CLAUSE**

If **CONTRACTOR**, at any time during this Contract, routinely enters into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **CONTRACTOR** shall notify **H-GAC** within ten (10) business days thereafter of that offering and this Contract shall be deemed to be automatically amended effective retroactively to the effective date of the most favorable contract, wherein **CONTRACTOR** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER**. **H-GAC** shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **CONTRACTOR** is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this Contract is not in fact most favored treatment, **CONTRACTOR** shall within ten (10) business days notify **H-GAC** in writing, setting forth the detailed reasons **CONTRACTOR** believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. **H-GAC**, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between **H-GAC** and **CONTRACTOR** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to **H-GAC**.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure.

EXCEPTION: *This clause shall not be applicable to prices and price adjustments offered by a bidder, or contractor, which are not within bidder's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.*

ARTICLE 11:**SEVERABILITY**

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 12:**DISPUTES**

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of **H-GAC** or his designee, who shall reduce his decision to writing and provide notice thereof to **CONTRACTOR**. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, **CONTRACTOR** requests a rehearing from the Executive Director of **H-GAC**. In connection with any rehearing under this Article, **CONTRACTOR** shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. **CONTRACTOR** may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, **CONTRACTOR** shall proceed diligently with the performance of this Contract and in accordance with **H-GAC'S** final decision.

ARTICLE 13:**LIMITATION OF CONTRACTOR'S LIABILITY**

Except as specified in any separate writing between the **CONTRACTOR** and an **END USER**, **CONTRACTOR**'s total liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify **H-GAC** described in Article 14, is limited to the price of the particular products/services sold hereunder, and **CONTRACTOR** agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will **CONTRACTOR** be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. **CONTRACTOR** understands and agrees that it shall be liable to repay and shall repay upon demand to **END USER** any amounts determined by **H-GAC**, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

ARTICLE 14:**LIMIT OF H-GAC'S LIABILITY AND INDEMNIFICATION OF H-GAC**

H-GAC's liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will **H-GAC** be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless **H-GAC**, its board members, officers, agents, officials, employees, and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of **CONTRACTOR**'s negligent act or omission under this Contract. **CONTRACTOR** shall notify **H-GAC** of the threat of lawsuit or of any actual suit filed against **CONTRACTOR** relating to this Contract.

ARTICLE 15:**TERMINATION FOR CAUSE**

H-GAC may terminate this Contract for cause based upon the failure of **CONTRACTOR** to comply with the terms and/or conditions of the Contract; provided that **H-GAC** shall give **CONTRACTOR** written notice specifying **CONTRACTOR'S** failure. If within thirty (30) days after receipt of such notice, **CONTRACTOR** shall not have either corrected such failure, or thereafter proceeded diligently to complete such correction, then **H-GAC** may, at its option, place **CONTRACTOR** in default and the Contract shall terminate on the date specified in such notice. **CONTRACTOR** shall pay to **H-GAC** any order processing charges due from **CONTRACTOR** on that portion of the Contract actually performed by **CONTRACTOR** and for which compensation was received by **CONTRACTOR**.

ARTICLE 16:**TERMINATION FOR CONVENIENCE**

Either **H-GAC** or **CONTRACTOR** may cancel or terminate this Contract at any time by giving thirty (30) days written notice to the other. **CONTRACTOR** may be entitled to payment from **END USER** for services actually performed; to the extent said services are satisfactory to **END USER**. **CONTRACTOR** shall pay to **H-GAC** any order processing charges due from **CONTRACTOR** on that portion of the Contract actually performed by **CONTRACTOR** and for which compensation is received by **CONTRACTOR**.

ARTICLE 17:**CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS**

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by **H-GAC**, the State of Texas, and the acts and regulations of any funding entity. **CONTRACTOR** agrees to notify **H-GAC** of any suspected fraud, abuse or other criminal activity related to this Contract through filing of a written report promptly after it becomes aware of such activity.

ARTICLE 18:**GOVERNING LAW & VENUE**

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with this Contract shall lie exclusively in Harris County, Texas. Disputes between **END USER** and **CONTRACTOR** are to be resolved in accord with the law and venue rules of the state of purchase. **CONTRACTOR** shall immediately notify **H-GAC** of such disputes.

ARTICLE 19:**PAYMENT OF H-GAC ORDER PROCESSING CHARGE**

CONTRACTOR agrees to sell its products to **END USERS** based on the pricing and other terms of this Contract, including, but not limited to, the payment of the applicable **H-GAC** order processing charge. On notification from an **END USER** that an order has been placed with **CONTRACTOR**, **H-GAC** will invoice **CONTRACTOR** for the applicable order processing charge. Upon delivery of any product/service by **CONTRACTOR** and acceptance by **END USER**, **CONTRACTOR** shall, within thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay **H-GAC** the full amount of the applicable order processing charge, whether or not **CONTRACTOR** has received an invoice from **H-GAC**. For sales made by **CONTRACTOR** based on this contract, including sales to entities without Interlocal Contracts, **CONTRACTOR** shall pay the applicable order processing charges to **H-GAC**. Further, **CONTRACTOR** agrees to encourage entities who are not members of **H-GAC**'s Cooperative Purchasing Program to execute an **H-GAC** Interlocal Contract. **H-GAC** reserves the right to take appropriate actions including, but not limited to, contract termination if **CONTRACTOR** fails to promptly remit **H-GAC**'s order processing charge. In no event shall **H-GAC** have any liability to **CONTRACTOR** for any goods or services an **END USER** procures from **CONTRACTOR**.

Fire Service Apparatus (All Types)

Page 4 of 4

ARTICLE 20:**LIQUIDATED DAMAGES**

Any liquidated damages terms will be determined between **CONTRACTOR** and **END USER** at the time **END USER**'s purchase order is placed.

ARTICLE 21:**PERFORMANCE AND PAYMENT BOND FOR INDIVIDUAL ORDERS**

H-GAC's contractual requirements DO NOT include a Performance & Payment Bond (PPB), and offered pricing should reflect this cost saving. However, **CONTRACTOR** must be prepared to offer a PPB to cover any specific order if so requested by **END USER**. **CONTRACTOR** shall quote a price to **END USER** for provision of any requested PPB, and agrees to furnish the PPB within ten business (10) days of receipt of **END USER**'s purchase order.

ARTICLE 22:**CHANGE OF CONTRACTOR STATUS**

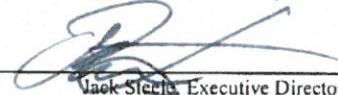
CONTRACTOR shall immediately notify H-GAC, in writing, of ANY change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name, and shall also advise whether or not this Contract shall be affected in any way by such change. H-GAC shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Contract.

ARTICLE 23:**LICENSING REQUIRED BY TEXAS MOTOR VEHICLE BOARD (IF APPLICABLE)**

CONTRACTOR will for the duration of this Contract maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Contract period, any **CONTRACTOR**'s license is not renewed, or is denied or revoked, **CONTRACTOR** shall be deemed to be in default of this Contract unless the Motor Vehicle Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to H-GAC upon request.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

Signed for Houston-Galveston
Area Council, Houston, Texas:


Jack Steele, Executive Director

Attest for Houston-Galveston
Area Council, Houston, Texas:


Deidre Vick, Director of Public Services

Date: October 30 2015

Signed for Super Vacuum Manufacturing Co., Inc.
Fort Collins, Colorado:

Printed Name & Title: Robert Sorensen, Vice President

Date: October 30 2015

Attest for Super Vacuum Manufacturing Co., Inc.
Fort Collins, Colorado:

Printed Name & Title: Steve Houchin, Central Sales Administrator

Date: October 30 2015

Attachment A
Super Vacuum Manufacturing Co., Inc.
Fire Service Apparatus (All Types)
Contract No. FS12-15

CC. Super Vac		
B. Wildland Fire Apparatus (Brush Fire)		
CCB01	Ford F550, 2-Door, OEM Cab, 4x4, Single Axle, Aluminum Body, 100 GPM, 250 Gal Tank Slip-In, Wildland	\$ 181,668.00
CCB02	International 7400, 4-Door, OEM Cab, 4x4, Aluminum Body, Single Axle, 500 GPM, 500 Gallon, Mid-Mounted Wildland Pumper	\$ 372,694.00
C. Pumper Fire Apparatus		
CCC01	International 4400, 2-Door, OEM Cab, 4x2, Aluminum Body, Single Axle, 1250 GPM Pump, Mid-Mounted Pumper	\$ 366,367.00
CCC02	Spartan 4-Door Chassis, Aluminum Tilt Cab, 4x2, Aluminum Body, Single Axle, 1250 GPM Pump, Mid-Mounted Pumper	\$ 465,410.00
D. Special Service Apparatus (Walk-In & Non Walk-In Bodies) Multi-Use: Rescue, Re-Hab, Hazmat, Mobile		
CCD01	Ford F550, 2-Door, OEM Cab, 4x2, Single Axle, Aluminum Body, Non-Walk-In Rescue	\$ 205,961.00
CCD02	International 4400, 2-Door, OEM Cab, 4x2, Single Axle, Aluminum Body, Non-Walk-In Rescue	\$ 314,243.00
CCD03	Spartan 4-Door Chassis, Aluminum Tilt Cab, 4x2, Single Axle, Aluminum Body, Non-Walk-In Body	\$ 404,388.00
CCD04	International 4400, 2-Door, OEM Cab, 4x2, Single Axle, Aluminum Body, Walk-In Rescue	\$ 342,587.00
CCD05	Spartan 4-Door Chassis, Aluminum Tilt Cab, 4x2, Single Axle, Aluminum Body, Walk-In Body	\$ 432,906.00



CITY OF LOVELAND
CITY ATTORNEY'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2540 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 14
MEETING DATE: 1/19/2016
TO: City Council
FROM: Tami Yellico, City Attorney
PRESENTERS: Tami Yellico, City Attorney

TITLE:

A Motion continuing the Public Hearing for the purpose of considering the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4 to on or about 6:00 p.m. on February 2, 2016

RECOMMENDED CITY COUNCIL ACTION:

Continue the public hearing for Lee Farm Metropolitan Districts Nos. 1 – 4 to on or about 6:00 p.m. on February 2, 2016.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.
3. Adopt a modified action.
4. Refer back to staff for further development and consideration.

SUMMARY:

Public notice was published in the Loveland Reporter-Herald and mailed as required by State statute. The published and mailed notice were for a Public Hearing on or about 6:30 on January 19, 2016 for the purpose of considering the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4. Staff is still completing its review of the Consolidated Service Plan and working with the developer regarding revisions. Staff requests that City Council take the administrative action of continuing the hearing on the record of the January 19, 2016 meeting to February 2, 2016 on or about 6:00 p.m.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

Pursuant to Section 32-1-204.5, C.R.S., as amended, the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1, 2, 3, and 4 (collectively the "Districts") has been submitted to the City. The boundaries of the proposed Districts are wholly contained within the boundaries of the City. The Districts are generally located west of Wilson Avenue between West 35th Street and West 43rd Street in the City of Loveland. They consist of approximately 246 acres for primarily residential development. Housing types within the development are anticipated to include single-family attached residences, single-family detached residences, multi-family residences, and patio

homes, with average prices from \$325,000 to greater than \$610,000, and are anticipated to total approximately 736 units. The estimated projected population of the Districts at full build-out is approximately 2,200 persons based upon an assumption of three individuals per unit. The Districts will provide for the design, acquisition, installation, construction, financing, operations, and maintenance of streets, traffic and safety signals, sewer, water, and parks and recreation facilities within the boundaries of the Districts.

Public notice was published in the Loveland Reporter-Herald and mailed as required by State statute. The published and mailed notice were for a Public Hearing on or about 6:30 on January 19, 2016 for the purpose of considering the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4. Staff is still completing its review of the Consolidated Service Plan and working with the developer regarding revisions. Staff requests that City Council take the administrative action of continuing the hearing on the record of the January 19, 2016 meeting to February 2, 2016 on or about 6:00 p.m.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

None



CITY OF LOVELAND
CITY ATTORNEY'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2540 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 15
MEETING DATE: 1/19/2016
TO: Mayor and City Council
FROM: Tami Yellico, City Attorney
PRESENTERS: Tami Yellico, City Attorney

TITLE:

A Resolution Approving the Issuance of Bonds and Extension of Debt Maturity for VDW Metropolitan Districts Nos. 1 - 3

RECOMMENDED CITY COUNCIL ACTION:

After a public hearing to consider the resolution.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.
3. Adopt a modified action.
4. Refer back to staff for further development and consideration.

SUMMARY:

This resolution is an administrative action to approve the VDW Metropolitan Districts Nos. 1-3 (the "Districts") issuance of bonds on a date after July 1, 2012 and the question of extending the maturity of a portion of the Districts' current debt by refunding, as both actions require a public hearing and approval of the City of Loveland City Council pursuant to Sections VII.B and VII.E of the Districts' Consolidated Service Plan.

BUDGET IMPACT:

Positive
 Negative
 Neutral or negligible

BACKGROUND:

On March 20, 2002, the City Council approved the Consolidated Service Plan for VDW Metropolitan Districts Nos. 1 – 3 (the "Districts"). The Districts currently have outstanding debt in the form of Limited Property Tax Supported Revenue Bonds, Series 2007 (the "2007 Bonds") and Limited Property Tax Supported Revenue Bonds, Series 2011 (the "2011 Bonds").

The Service Plan's Financing Plan contemplates the issuance of three series of bonds to be issued by or before 2012. The Service Plan's development projections were prepared prior to the Service Plan's approval in 2002. The real estate recession severely suppressed real estate development throughout the State, which resulted in development within the Districts occurring at a slower pace than was anticipated in 2002.

The real estate and economic conditions have since improved, and the developer projects that development within the Districts is now capable of supporting the issuance of a third series of bonds (the "2016 Bonds"), which series was contemplated in the Service Plan to be issued in 2012.

The Districts desire to issue the 2016 Bonds in a total amount of \$ 11,401,585.65 to provide the Districts with additional funds for the construction of necessary public infrastructure, including the construction of Mountain Lion Drive between Sculptor Drive and Mountain View High School, for the benefit of the Districts' residents and public at large and to refund existing District obligations as contemplated in the Service Plan. A portion of the proceeds of the 2016 Bonds will be used to refund the 2007 Bonds at a cost savings to the Districts and their taxpaying residents over time, which refunding requires extending the maturity of the 2007 Bonds.

Section VII.B. of the Service Plan provides that the Districts may not issue any bonds after July 1, 2012, except with the prior approval of the City Council as evidenced by a resolution after a public hearing. Section VII.E of the Service Plan provides that the Districts shall not extend the final maturity or increase the total debt service of any District debt through refinancing or any other method without the prior approval of the City Council, following a public hearing.

The Districts have requested that the City Council consider the question of whether the Districts may issue the 2016 Bonds as the third series of bonds contemplated by the Service Plan and to consider the question of whether the Districts may refund the 2007 Bonds, which refunding will extend the maturity of the 2007 Bonds, to take advantage of the current favorable market conditions and provide cost savings to the Districts and their taxpayers.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

Resolution

RESOLUTION #R-13-2016

A RESOLUTION OF THE LOVELAND CITY COUNCIL APPROVING THE ISSUANCE OF BONDS AND EXTENSION OF DEBT MATURITY FOR VDW METROPOLITAN DISTRICTS NOS. 1 – 3

WHEREAS, pursuant to Section 32-1-204.5, C.R.S., as amended, the City Council (the “City Council”) of the City of Loveland, Colorado (the “City”) approved the Consolidated Service Plan (the “Service Plan”) for VDW Metropolitan Districts Nos. 1 – 3 (the “Districts”) on March 20, 2002; and

WHEREAS, the Districts currently have outstanding debt in the form of Limited Property Tax Supported Revenue Bonds, Series 2007 (the “2007 Bonds”) and Limited Property Tax Supported Revenue Bonds, Series 2011 (the “2011 Bonds”); and

WHEREAS, the Service Plan’s Financing Plan contemplates the issuance of three series of bonds to be issued by or before 2012; and

WHEREAS, the Service Plan’s development projections were prepared prior to the Service Plan’s approval in 2002, and after this time a real estate recession affected Colorado development, severely suppressing real estate development throughout the State, which resulted in development within the Districts occurring at a slower pace than anticipated in 2002; and

WHEREAS, real estate and economic conditions have since improved, and development within the Districts is now capable of supporting the issuance of a third series of bonds (the “2016 Bonds”), which series was contemplated in the Service Plan to be issued in 2012; and

WHEREAS, the Districts desire to issue the 2016 Bonds in one or more series, as more fully described in Exhibit A attached hereto and incorporated herein by reference, to provide the Districts with additional funds for the construction of necessary public infrastructure for the benefit of the Districts’ residents and public at large and to refund existing District obligations as contemplated in the Service Plan; and

WHEREAS, a portion of the proceeds of the 2016 Bonds will be used to refund the 2007 Bonds at a cost savings to the Districts and their taxpaying residents over time, which refunding requires extending the maturity of the 2007 Bonds; and

WHEREAS, Section VII.B. of the Service Plan provides that the Districts may not issue any bonds after July 1, 2012, except with the prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance in violation of this provision shall be deemed to be a material departure from the Service Plan; and

WHEREAS, Section VII.E of the Service Plan provides that the Districts shall not extend the final maturity or increase the total debt service of any District debt through refinancing or any other method without the prior approval of the City Council, following a public hearing thereon; and

WHEREAS, the Districts have requested that the City Council consider the question of whether the Districts may issue the 2016 Bonds as the third series of bonds contemplated by the Service Plan (the “Bonds Request”), and to consider the question of whether the Districts may refund the 2007 Bonds, which refunding will extend the maturity of the 2007 Bonds, to take advantage of the current favorable market conditions and provide cost savings to the Districts and their taxpayers (the “Refunding Request”); and

WHEREAS, notice of the public hearing before the City Council for its consideration of the Bonds Request and the Refunding Request was duly published in the *Loveland Reporter-Herald* on December 28, 2015 and January 12, 2016, as evidenced by the “Affidavits of Publication,” attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, the City Council held a public hearing on the Bonds Request and Refunding Request on January 19, 2016; and

WHEREAS, the City Council has considered the Bonds Request, the Refunding Request, and all other testimony and evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the hearing before the City Council was open to the public; that all interested parties were heard or had the opportunity to be heard; and that all relevant testimony and evidence submitted to the City Council was considered.

Section 2. That at the hearing, evidence was presented that was satisfactory to the City Council for finding that the Districts have, or will have, the financial ability to discharge the proposed indebtedness and the refunded indebtedness on a reasonable basis and that the creation and extension of the debt will be in the best interest of the area served by the Districts.

Section 3. That the City Council hereby determines that the notice of the public hearing by City Council was made in a timely manner.

Section 4. That the City Council hereby approves the Districts’ Bonds Request and approves the issuance of the 2016 Bonds subject to the following conditions:

- a. The maximum total repayment costs for the 2016 Bonds shall not exceed \$30,000,000.
- b. The annual debt service for the 2016 Bonds shall not exceed \$3,000,000.
- c. Council approves, per Service Plan Sections VII.B and VII.E, the District’s refunding all or a portion of the 2016 Bonds and the 2011 Bonds in the future, provided that such refunding generates a positive net present value savings, and further provided that prior to such refunding, the District provides the City Manager and City Attorney within an opinion of an

independent financial advisor that the proposed refunding does generate a positive net present value savings.

Section 5. That the City Council hereby approves the Districts' Refunding Request to refund the 2007 Bonds, including the extension, as part of the 2016 Bonds, of the maturity of the 2007 Bonds necessary to accomplish the refunding.

Section 6. That all provisions of the Service Plan remain in full force and effect, and the Districts' actions taken in accordance with this Resolution are not a material departure from the Service Plan.

Section 7. That nothing herein limits the City's powers with respect to the Districts, the properties within the Districts, or the improvements to be constructed by the Districts.

Section 8. That the City's findings are based solely upon the evidence presented by the Districts and such other evidence presented at the public hearing, and the City has not conducted any independent investigation of the evidence. The City makes no guarantee as to the financial viability of the Districts or the achievability of results.

Section 9. That this Resolution shall be effective as of the date of its adoption.

Adopted this 19th day of January, 2016.

CITY OF LOVELAND, COLORADO, a Colorado
municipal corporation

By: _____
Cecil Gutierrez, Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:



City Attorney

EXHIBIT A

2016 Bonds Financing

EXHIBIT B

Affidavits of Publication



VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yr.; plus Sub. Ser. 2016B Cash Flow Bonds

YEAR	< < < < < < D2 Residential > > > > > >				< D2 Res'l Vacant Land >			District D/S				Total D2 Mill Levy Incl. O&M
	Mkt Value Biennial		As'ed Value @ 7.96%		As'ed Value @ 29.00%		MD#2	Mill Levy net of Total	District #3	District		
	Total Res'l Units	Reasses'mt @ 2.0%	Manual Adj. ¹	Cumulative Market Value	Cumulative Market Value (2-yr lag)	Cumulative Market Value (2-yr lag)	Assessed Value	[35.665 target in '16] [45.980 Cap]	Ops levy Collections @ 98%	S.O. Taxes Collected @ 0%		
2007	***			0		\$0	3,689,110		0		0	0
2008	***			0		0	4,335,720	0.000	0		0	0
2009	***			0		0	4,794,000	17.460	82,029		0	0
2010	***			0		0	4,084,550	21.300	85,261		0	0
2011	***			0		0	3,453,490	25.941	87,795		0	0
2012	***	81,926,508	81,926,508		639,172		3,438,650	38.062	128,264		0	0
2013	***	2,838,191	84,764,698		1,271,897		6,334,510	27.900	173,198		0	0
2014	***	33,035,804	117,800,503	6,521,350	4,539,828	185,360	6,706,710	28.863	189,704		0	0
2015	211		178,978,903	6,747,270	4,262,778	368,850	7,116,120	27.695	193,139		0	40,969
2016	171	3,579,578	234,884,481	9,376,920	1,120,719	1,316,550	10,693,470	35.665	373,755		0	45,980
2017	46		249,242,001	14,246,721	657,529	1,236,206	15,482,926	37.830	574,005		0	45,980
2018	25	4,984,840	262,185,901	18,696,805	0	325,008	19,021,813	39.024	727,461		0	45,980
2019	0		262,185,901	19,839,663	0	190,683	20,030,347	39.212	769,721		0	45,980
2020	0	5,243,718	267,429,619	20,869,998	0	0	20,869,998	39.382	805,464		0	45,980
2021	0		267,429,619	20,869,998	0	0	20,869,998	39.316	804,114		0	45,980
2022	0	5,348,592	272,778,211	21,287,398	0	0	21,287,398	39.382	821,573		0	45,980
2023	0		272,778,211	21,287,398	0	0	21,287,398	39.316	820,197		0	45,980
2024	0	5,455,564	278,233,775	21,713,146	0	0	21,713,146	39.381	837,984		0	45,980
2025	0		278,233,775	21,713,146	0	0	21,713,146	39.315	836,579		0	45,980
2026	0	5,564,676	283,798,451	22,147,409	0	0	22,147,409	39.380	854,722		0	45,980
2027	0		283,798,451	22,147,409	0	0	22,147,409	39.314	853,289		0	45,980
2028	0	5,675,969	289,474,420	22,590,357	0	0	22,590,357	39.380	871,816		0	45,980
2029	0		289,474,420	22,590,357	0	0	22,590,357	39.314	870,355		0	45,980
2030	0	5,789,488	295,263,908	23,042,164	0	0	23,042,164	39.379	889,230		0	45,980
2031	0		295,263,908	23,042,164	0	0	23,042,164	39.313	887,739		0	45,980
2032	5,905,278		301,169,186	23,503,007	0	0	23,503,007	21.810	502,355		0	28,412
2033			301,169,186	23,503,007	0	0	23,503,007	17.240	397,080		0	23,908
2034	6,023,384		307,192,570	23,973,067	0	0	23,973,067	16.963	398,512		0	23,565
2035			307,192,570	23,973,067	0	0	23,973,067	17.002	399,448		0	23,670
2036	6,143,851		313,336,421	24,452,529	0	0	24,452,529	16.687	399,889		0	23,290
2037			313,336,421	24,452,529	0	0	24,452,529	16.634	398,604		0	23,303
2038	6,266,728		319,603,150	24,941,579	0	0	24,941,579	16.383	400,440		0	22,986
2039			319,603,150	24,941,579	0	0	24,941,579	16.278	397,869		0	22,947
2040	6,392,063		325,995,213	25,440,411	0	0	25,440,411	15.981	398,420		0	22,585
2041			325,995,213	25,440,411	0	0	25,440,411	15.973	398,236		0	22,643
2042	6,519,904		332,515,117	25,949,219	0	0	25,949,219	15.624	397,318		0	22,229
2043			332,515,117	25,949,219	0	0	25,949,219	15.703	399,338		0	22,374
2044	6,650,302		339,165,419	26,468,203	0	0	26,468,203	15.296	396,767		0	21,901
2045			339,165,419	26,468,203	0	0	26,468,203	15.310	397,135		0	21,981
	453	85,543,937	117,800,503					19,218,806		0		

[1] Adj. to actual/prelim AV

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3
Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills
Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yr.; plus Sub. Ser. 2016B Cash Flow Bonds

YEAR	< < < < < < D3 Commercial (incl D2 PP) > > > > > >				< Comm'l Vacant Land >		District D/S				Total D#2 & D#3		
	Mkt Value Biennial		As'ed Value @ 29.00%		As'ed Value @ 29.00%		MD#3 Total	Mill Levy net of Ops levy [29.685 target in '16] [40,000 Cap]	District #3 D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 0%			
	Total Comm'l SF	Reassess'mt @ 2.0%	Manual Adj. ¹	Cumulative Market Value	Cumulative of Market (2-yr lag)	Cumulative Market Value	Assessed Value						
2007	***			0	\$0	2,778,650		0	0	0	0		
2008	***			0	0	3,445,190	0.000	0	0	0	0		
2009	***			0	0	6,372,850	17.460	109,045	0		191,074		
2010	0			0	0	7,911,250	21.300	165,139	0		250,400		
2011	0			0	0	7,016,470	25.941	178,374	0		266,169		
2012	0	21,388,414	21,388,414		860,483	5,750,750	38.062	214,507	0		342,772		
2013	0	(445,310)	20,943,103		860,483	6,377,750	27.900	174,380	0		347,579		
2014	0	1,573,621	22,516,724	6,202,640	839,000	249,540	6,452,180	28.863	182,505	0		372,209	
2015	0		22,516,724	6,073,500	1,088,750	249,540	6,323,040	27.695	171,614	0	40,969	364,754	
2016	18,500	450,334		25,514,509	6,529,850	0	243,310	6,773,160	29.685	197,040	0	40,000	570,795
2017	0			25,514,509	6,529,850	0	315,738	6,845,588	31.850	213,671	0	40,000	787,676
2018	0	510,290		26,024,799	7,399,208	0	0	7,399,208	33.044	239,609	0	40,000	967,071
2019	0			26,024,799	7,399,208	0	0	7,399,208	33.232	240,973	0	40,000	1,010,694
2020	0	520,496		26,545,295	7,547,192	0	0	7,547,192	33.402	247,049	0	40,000	1,052,514
2021	0			26,545,295	7,547,192	0	0	7,547,192	33.336	246,561	0	40,000	1,050,676
2022	0	530,906		27,076,201	7,698,135	0	0	7,698,135	33.402	251,990	0	40,000	1,073,564
2023	0			27,076,201	7,698,135	0	0	7,698,135	33.336	251,493	0	40,000	1,071,689
2024	0	541,524		27,617,725	7,852,098	0	0	7,852,098	33.401	257,023	0	40,000	1,095,006
2025	0			27,617,725	7,852,098	0	0	7,852,098	33.335	256,515	0	40,000	1,093,094
2026	0	552,354		28,170,079	8,009,140	0	0	8,009,140	33.400	262,155	0	40,000	1,116,877
2027	0			28,170,079	8,009,140	0	0	8,009,140	33.334	261,637	0	40,000	1,114,926
2028	0	563,402		28,733,481	8,169,323	0	0	8,169,323	33.400	267,398	0	40,000	1,139,214
2029	0			28,733,481	8,169,323	0	0	8,169,323	33.334	266,870	0	40,000	1,137,225
2030	0	574,670		29,308,150	8,332,709	0	0	8,332,709	33.399	272,738	0	40,000	1,161,968
2031	0			29,308,150	8,332,709	0	0	8,332,709	33.333	272,199	0	40,000	1,159,939
2032	586,163			29,894,313	8,499,364	0	0	8,499,364	21.810	181,666	0	28,412	684,021
2033				29,894,313	8,499,364	0	0	8,499,364	17.240	143,595	0	23,908	540,675
2034	597,886			30,492,200	8,669,351	0	0	8,669,351	16.963	144,113	0	23,565	542,625
2035				30,492,200	8,669,351	0	0	8,669,351	17.002	144,452	0	23,670	543,900
2036	609,844			31,102,044	8,842,738	0	0	8,842,738	16.687	144,611	0	23,290	544,500
2037				31,102,044	8,842,738	0	0	8,842,738	16.634	144,146	0	23,303	542,750
2038	622,041			31,724,085	9,019,593	0	0	9,019,593	16.383	144,810	0	22,986	545,250
2039				31,724,085	9,019,593	0	0	9,019,593	16.278	143,881	0	22,947	541,750
2040	634,482			32,358,566	9,199,985	0	0	9,199,985	15.981	144,080	0	22,585	542,500
2041				32,358,566	9,199,985	0	0	9,199,985	15.973	144,014	0	22,643	542,250
2042	647,171			33,005,738	9,383,984	0	0	9,383,984	15.624	143,682	0	22,229	541,000
2043				33,005,738	9,383,984	0	0	9,383,984	15.703	144,412	0	22,374	543,750
2044	660,115			33,665,852	9,571,664	0	0	9,571,664	15.296	143,483	0	21,901	540,250
2045				33,665,852	9,571,664	0	0	9,571,664	15.310	143,615	0	21,981	540,750
	18,500	8,601,678		22,516,724				7,255,048	0			26,473,854	

[2] Adj. to actual/prelim AV; Incl. P.P. & S.A.

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3
Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills
Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yr.; plus Sub. Ser. 2016B Cash Flow Bonds

\$7,040,000
\$3,642,130

YEAR	Net Available for Debt Svc	Series 2007	Ser. 2011	Ser. 2016A	Total	Less District Funds Contrib. at Closing	Annual Surplus	Surplus	Cumulative Surplus	Senior Debt/	Senior Debt/	Cov. of Net DS:	Cov. of Net DS:	
		\$3,000,000 Par	\$1,200,000 Par	\$7,040,000 Par				Release @ 50% D/A to \$704,000				@ 35.665 D#2 Target	@ 45.980 D#2 Mill Cap	
		[Net \$2.900 MM]	[Net \$0.000 MM]	[Escr \$2.846 MM]				\$704,000 Target				@ 29.685 D#3 Target	@ 40.000 D#3 Mill Cap	
2007	0	\$0			\$0		n/a		0					
2008	0	184,708			184,708		n/a		0					
2009	191,074	195,000			195,000		n/a		0					
2010	250,400	260,000			260,000		n/a		0					
2011	266,169	260,775	\$24,267		285,042		n/a		0					
2012	342,772	256,225	96,000		352,225		n/a		2,194					
2013	347,579	256,675	96,000		352,675		n/a		3,192	30%	4%	115.4%	102%	
2014	372,209	256,800	121,000		377,800		n/a		4,198	28%	3%	111.7%	101%	
2015	364,754	256,600	124,000	\$0	380,600	0	(15,846)	0	(11,648)	22%	2%	113.7%	103%	
2016	570,795	[Ref'd by Ser. '15]	121,600	176,520	298,120		272,675	0	261,026	18%	1%	191.5%	192%	
2017	787,676		124,200	176,238	300,438		487,239	44,265	704,000	15%	1%	246.4%	263%	
2018	967,071	126,400	175,138		301,538		665,533	665,533	704,000	14%	1%	291.9%	323%	
2019	1,010,694	123,200	419,775		542,975		467,719	467,719	704,000	13%	1%	168.6%	187%	
2020	1,052,514	120,000	422,675		542,675		509,839	509,839	704,000	12%	1%	174.9%	196%	
2021	1,050,676	126,800	415,475		542,275		508,401	508,401	704,000	12%	1%	175.0%	196%	
2022	1,073,564	122,800	422,063		544,863		528,701	528,701	704,000	11%	1%	177.7%	199%	
2023	1,071,689	123,800	418,325		542,125		529,564	529,564	704,000	11%	1%	178.6%	200%	
2024	1,095,006	124,400	419,588		543,988		551,019	551,019	704,000	10%	1%	181.5%	204%	
2025	1,093,094	124,600	415,688		540,288		552,806	552,806	704,000	10%	1%	182.7%	206%	
2026	1,116,877	129,400	411,788		541,188		575,689	575,689	704,000	9%	1%	186.1%	210%	
2027	1,114,926	128,400	411,688		540,088		574,839	574,839	704,000	9%	1%	186.5%	211%	
2028	1,139,214	127,000	416,375		543,375		595,839	595,839	704,000	8%	1%	189.0%	214%	
2029	1,137,225	130,200	410,638		540,838		596,387	596,387	704,000	7%	1%	189.9%	215%	
2030	1,161,968	132,600	409,900		542,500		619,468	619,468	704,000	7%	1%	193.1%	219%	
2031	1,159,939	134,200	408,950		543,150		616,789	616,789	704,000	6%	1%	192.9%	219%	
2032	684,021	135,000	407,425		542,425		141,596	141,596	704,000	5%	1%	197.0%	224%	
2033	540,675	0	540,675		540,675		0	0	704,000	5%	1%	197.7%	225%	
2034	542,625	0	542,625		542,625		0	0	704,000	5%	0%	200.9%	230%	
2035	543,900	0	543,900		543,900		0	0	704,000	4%	0%	200.4%	229%	
2036	544,500	0	544,500		544,500		0	0	704,000	4%	0%	204.2%	234%	
2037	542,750	0	542,750		542,750		(0)	0	704,000	3%	0%	204.9%	235%	
2038	545,250	0	545,250		545,250		(0)	0	704,000	3%	0%	208.0%	239%	
2039	541,750	0	541,750		541,750		0	0	704,000	3%	0%	209.3%	240%	
2040	542,500	0	542,500		542,500		(0)	0	704,000	2%	0%	213.2%	246%	
2041	542,250	0	542,250		542,250		0	0	704,000	2%	0%	213.3%	246%	
2042	541,000	0	541,000		541,000		0	0	704,000	1%	0%	218.1%	252%	
2043	543,750	0	543,750		543,750		0	0	704,000	1%	0%	217.0%	251%	
2044	540,250	0	540,250		540,250		0	0	704,000	0%	0%	222.8%	258%	
2045	540,750	0	540,750		540,750		0	704,000	0	0%	0%	222.6%	258%	
	26,473,854	1,926,783	2,615,867	13,390,195	17,932,845	0	8,778,257	8,782,455						

[ONov1815 16ra07O]

[ONov1815 16brpO]

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Partial Growth Development Projection at 35.665 and 29.685 (target) District Mills

Series 2016A G.O. Bonds, Adv. Refg. of Ser 2007 plus New Money, Assumes BBB Rated, 30-yr.; plus Sub. Ser. 2016B Cash Flow Bonds

YEAR	Ser. 2016B Subordinate Cash Flow Bonds >>>												Cov. of Total Net DS:		
	Surplus Available for Sub Debt Service	Date Bonds Issued	Sub Bond Interest on Balance 7.75%	Less Payments Toward Sub Bond Interest	Accrued Interest + Int. on Bal. @ 7.75%	Less Payments Toward Accrued Interest	Balance of Accrued Interest	Sub Bonds Principal Issued	Less Payments Toward Bond Principal	Balance of Sub Bond Principal	Total Subs Debt Service	Estimated Annual Surplus	Annual Ops \$174,819 infl. @ 1%	Ops Exp Equivalent Levy	Cov. of Total Net DS: @ 45.980 D#2 Target
															@ 40.000 D#2 Target
2007											0	0	0		
2008	\$0										0	0	0	0	102%
2009	0										0	0	0	0	101%
2010	0										0	0	0	0	103%
2011	0										0	0	0	0	102%
2012	0										0	0	0	0	101%
2013	0										0	0	0	0	102%
2014	0										0	0	0	0	101%
2015	0										0	0	0	0	103%
2016	0	3/3/16	252,468	0	252,468	0	252,468	4,158,700	0	4,158,700	0	0	174,819	13.274	192%
2017	44,265		322,299	44,265	297,601	0	550,068		0	4,158,700	44,265	0	176,567	10.315	262%
2018	665,533		322,299	322,299	42,630	343,234	249,465		0	4,158,700	665,533	0	180,116	6.956	321%
2019	467,719		322,299	322,299	19,334	145,420	123,379		0	4,158,700	467,719	0	181,917	6.768	186%
2020	509,839		322,299	322,299	9,562	132,940	0		54,599	4,104,101	509,839	0	183,737	6.598	194%
2021	508,401		318,068	318,068	0	0	0		190,333	3,913,768	508,401	0	185,574	6.664	194%
2022	528,701		303,317	303,317	0	0	0		225,384	3,688,384	528,701	0	187,430	6.598	197%
2023	529,564		285,850	285,850	0	0	0		243,714	3,444,669	529,564	0	189,304	6.664	198%
2024	551,019		266,962	266,962	0	0	0		284,057	3,160,612	551,019	0	191,197	6.599	201%
2025	552,806		244,947	244,947	0	0	0		307,859	2,852,753	552,806	0	193,109	6.665	202%
2026	575,689		221,088	221,088	0	0	0		354,601	2,498,152	575,689	0	195,040	6.600	206%
2027	574,839		193,607	193,607	0	0	0		381,232	2,116,920	574,839	0	196,990	6.666	206%
2028	595,839		164,061	164,061	0	0	0		431,778	1,685,142	595,839	0	198,960	6.600	210%
2029	596,387		130,599	130,599	0	0	0		465,789	1,219,354	596,387	0	200,950	6.666	210%
2030	619,468		94,500	94,500	0	0	0		524,968	694,366	619,468	0	202,959	6.601	214%
2031	616,789		53,815	53,815	0	0	0		562,974	131,412	616,789	0	204,989	6.667	214%
2032	141,596		10,184	10,184	0	0	0		131,412	0	141,596	0	207,039	6.602	219%
2033	0		0	0	0	0	0		0	0	0	0	209,109	6.668	219%
2034	0		0	0	0	0	0		0	0	0	0	211,200	6.602	223%
2035	0		0	0	0	0	0		0	0	0	0	213,312	6.668	222%
2036	0		0	0	0	0	0		0	0	0	0	215,446	6.603	227%
2037	0		0	0	0	0	0		0	0	0	0	217,600	6.669	227%
2038	0		0	0	0	0	0		0	0	0	0	219,776	6.603	231%
2039	0		0	0	0	0	0		0	0	0	0	221,974	6.669	232%
2040	0		0	0	0	0	0		0	0	0	0	224,193	6.604	237%
2041	0		0	0	0	0	0		0	0	0	0	226,435	6.670	236%
2042	0		0	0	0	0	0		0	0	0	0	228,700	6.605	242%
2043	0		0	0	0	0	0		0	0	0	0	230,987	6.671	240%
2044	0		0	0	0	0	0		0	0	0	0	233,297	6.605	247%
2045	704,000		0	0	0	0	0		0	0	0	704,000	235,630	6.671	246%
	8,782,455		3,828,663	3,298,161	621,594	621,594		4,158,700	4,158,700		8,078,455	704,000			

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

YEAR	Residential Development										SFDs - Parcel D					SFD - Parcel H					SFD - (School Site)					SFD - Stone Creek				
	Incr/(Decr) in Finished Lot		# Units	Price	Market Value	Incr/(Decr) in Finished Lot		# Units	Price	Market Value	Incr/(Decr) in Finished Lot		# Units	Price	Market Value	Incr/(Decr) in Finished Lot		# Units	Price	Market Value	Incr/(Decr) in Finished Lot		# Units	Price	Market Value					
	# Lots Devel'd	Value @ 10%	Completed 170 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 95 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 150 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 95 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 95 target	Inflated @ 2%	Market Value					
2007	0	0	\$300,000	0	0	0	0	0	\$300,000	0	0	0	0	\$300,000	0	0	0	0	\$300,000	0	0	0	0	\$300,000	0					
2008	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2009	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2010	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2011	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2012	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2013	0	0	300,000	0	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0	0	0	0	300,000	0					
2014	120	3,600,000	300,000	0	20	600,000	300,000	0	0	0	0	0	0	300,000	0	0	0	9	270,000	0	0	0	0	300,000	0					
2015	50	(2,100,000)	120	300,000	36,000,000	25	150,000	20	300,000	6,000,000	0	0	0	300,000	0	65	1,680,000	9	300,000	2,700,000	0	0	0	0	300,000	0				
2016	0	(1,500,000)	50	306,000	15,300,000	25	0	25	306,000	7,650,000	0	0	0	306,000	0	21	(1,320,000)	65	306,000	19,890,000	0	0	0	0	312,120	6,554,520				
2017	0	0	0	312,120	0	25	0	25	312,120	7,803,000	0	0	0	312,120	0	0	(630,000)	21	312,120	0	0	0	0	312,120	6,554,520					
2018	0	0	0	318,362	0	0	(750,000)	25	318,362	7,959,060	0	0	0	318,362	0	0	0	0	0	0	0	0	0	318,362	0					
2019	0	0	0	324,730	0	0	0	0	324,730	0	0	0	0	324,730	0	0	0	0	0	0	0	0	0	324,730	0					
2020	0	0	0	331,224	0	0	0	0	331,224	0	0	0	0	331,224	0	0	0	0	0	0	0	0	0	331,224	0					
2021	0	0	0	337,849	0	0	0	0	337,849	0	0	0	0	337,849	0	0	0	0	0	0	0	0	0	337,849	0					
2022	0	0	0	344,606	0	0	0	0	344,606	0	0	0	0	344,606	0	0	0	0	0	0	0	0	0	344,606	0					
2023	0	0	0	351,498	0	0	0	0	351,498	0	0	0	0	351,498	0	0	0	0	0	0	0	0	0	351,498	0					
2024	0	0	0	358,528	0	0	0	0	358,528	0	0	0	0	358,528	0	0	0	0	0	0	0	0	0	358,528	0					
2025	0	0	0	365,698	0	0	0	0	365,698	0	0	0	0	365,698	0	0	0	0	0	0	0	0	0	365,698	0					
2026	0	0	0	373,012	0	0	0	0	373,012	0	0	0	0	373,012	0	0	0	0	0	0	0	0	0	373,012	0					
2027	0	0	0	380,473	0	0	0	0	380,473	0	0	0	0	380,473	0	0	0	0	0	0	0	0	0	380,473	0					
2028	0	0	0	388,082	0	0	0	0	388,082	0	0	0	0	388,082	0	0	0	0	0	0	0	0	0	388,082	0					
2029	0	0	0	395,844	0	0	0	0	395,844	0	0	0	0	395,844	0	0	0	0	0	0	0	0	0	395,844	0					
2030	0	0	0	403,761	0	0	0	0	403,761	0	0	0	0	403,761	0	0	0	0	0	0	0	0	0	403,761	0					
2031	0	0	0	411,836	0	0	0	0	411,836	0	0	0	0	411,836	0	0	0	0	0	0	0	0	0	411,836	0					
	170	0	170		51,300,000	95	0	95		29,412,060	0	0	0		0	0	95	0	95	0	0	0	29,144,520							

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

YEAR	Residential Summary																			
	SFD - Tulip Creek						MF			MF (4plex)			Residential Value +/- of Platted & Developed Lots							
	Incr/(Decr) in Finished Lot	# Units	per Sq Ft,	Market Value	Incr/(Decr) in Finished Lot	# Units*	per Sq Ft,	Market Value	Incr/(Decr) in Finished Lot	# Units	per Sq Ft,	Market Value	Total Residential Market Value	Total Res'l Units	Residential Value Adjustment ¹	Developed Lots Adjusted Value				
YEAR	# Lots Devel'd	Value @ 10%	Completed 75 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 2 target	Inflated @ 2%	Market Value	# Lots Devel'd	Value @ 10%	Completed 16 target	Inflated @ 2%	Market Value	Total Residential Market Value	Total Res'l Units	Residential Value Adjustment ¹	Developed Lots Adjusted Value	
2007	0	0	\$300,000	\$0	0	0	\$400,000	\$0	0	0	\$154,900	\$0	0	0	0	0	0	0	0	
2008	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2009	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2010	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2011	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2012	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2013	0	0	300,000	0	0	0	400,000	0	0	0	154,900	0	0	0	0	0	0	0	0	
2014	44	1,320,000	300,000	0	2	80,000	400,000	0	16	247,840	154,900	0	0	0	0	(2,849,909)	3,267,931	639,172	639,172	
2015	31	(390,000)	44	300,000	13,200,000	0	(80,000)	2	400,000	800,000	0	(247,840)	16	154,900	2,478,400	61,178,400	211	710,790	(277,050)	
2016	0	(930,000)	31	306,000	9,486,000	0	0	0	408,000	0	0	0	0	157,998	0	52,326,000	171	607,940	(3,142,060)	
2017	0	0	312,120	0	0	0	416,160	0	0	0	161,158	0	0	14,357,520	46	166,810	(463,190)	92,471	(657,529)	
2018	0	0	318,362	0	0	0	424,483	0	0	0	164,381	0	0	7,959,060	25	0	0	0	0	
2019	0	0	324,730	0	0	0	432,973	0	0	0	167,669	0	0	0	0	0	0	0	0	
2020	0	0	331,224	0	0	0	441,632	0	0	0	171,022	0	0	0	0	0	0	0	0	
2021	0	0	337,849	0	0	0	450,465	0	0	0	174,443	0	0	0	0	0	0	0	0	
2022	0	0	344,606	0	0	0	459,474	0	0	0	177,931	0	0	0	0	0	0	0	0	
2023	0	0	351,498	0	0	0	468,664	0	0	0	181,490	0	0	0	0	0	0	0	0	
2024	0	0	358,528	0	0	0	478,037	0	0	0	185,120	0	0	0	0	0	0	0	0	
2025	0	0	365,698	0	0	0	487,598	0	0	0	188,822	0	0	0	0	0	0	0	0	
2026	0	0	373,012	0	0	0	497,350	0	0	0	192,599	0	0	0	0	0	0	0	0	
2027	0	0	380,473	0	0	0	507,297	0	0	0	196,451	0	0	0	0	0	0	0	0	
2028	0	0	388,082	0	0	0	517,443	0	0	0	200,380	0	0	0	0	0	0	0	0	
2029	0	0	395,844	0	0	0	527,792	0	0	0	204,387	0	0	0	0	0	0	0	0	
2030	0	0	403,761	0	0	0	538,347	0	0	0	208,475	0	0	0	0	0	0	0	0	
2031	0	0	411,836	0	0	0	549,114	0	0	0	212,645	0	0	0	0	0	0	0	0	
	75	0	75	22,686,000	2	0	800,000	16	0	16	2,478,400	135,820,980	453	(0)	0	0	0	0	0	0

* 2 Bldgs; assumes 12 units per Bldg

[1] Adj to actual/prelim AV

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

YEAR	Commercial Development																		
	In-line Retail						Retail (tbd)						Gas Station						
	Incr/(Decr) in Finished Lot		Square Ft		per Sq Ft, Inflated @ 2%		Incr/(Decr) in Finished Lot		Square Ft		per Sq Ft, Inflated @ 2%		Incr/(Decr) in Finished Lot		Square Ft		per Sq Ft, Inflated @ 2%		Market Value
YEAR	SF Devel'd	Value @ 10%	Completed 18,500	18,500	Market Value	SF Devel'd	Value @ 10%	Completed 8,000	8,000	Market Value	SF Devel'd	Value @ 10%	Completed 3,000	3,000	Market Value				
2007	0	0		\$135.00	\$0	0	0		\$95.00	\$0	0	0		\$250.00	\$0				
2008	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2009	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2010	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2011	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2012	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2013	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2014	0	0		135.00	0	0	0		95.00	0	0	0		250.00	0				
2015	18,500	249,750		135.00	0	0	0		95.00	0	0	0		250.00	0				
2016	0	(249,750)	18,500	137.70	2,547,450	0	0		96.90	0	0	0		255.00	0				
2017	0	0	0	140.45	0	0	0		98.84	0	0	0		260.10	0				
2018	0	0	0	143.26	0	0	0		100.81	0	0	0		265.30	0				
2019	0	0	0	146.13	0	0	0		102.83	0	0	0		270.61	0				
2020	0	0	0	149.05	0	0	0	0	104.89	0	0	0	0	276.02	0				
2021	0	0	0	152.03	0	0	0	0	106.99	0	0	0	0	281.54	0				
2022	0	0	0	155.07	0	0	0	0	109.13	0	0	0	0	287.17	0				
2023	0	0	0	158.17	0	0	0	0	111.31	0	0	0	0	292.91	0				
2024	0	0	0	161.34	0	0	0	0	113.53	0	0	0	0	298.77	0				
2025	0	0	0	164.56	0	0	0	0	115.80	0	0	0	0	304.75	0				
2026	0	0	0	167.86	0	0	0	0	118.12	0	0	0	0	310.84	0				
2027	0	0	0	171.21	0	0	0	0	120.48	0	0	0	0	317.06	0				
2028	0	0	0	174.64	0	0	0	0	122.89	0	0	0	0	323.40	0				
2029	0	0	0	178.13	0	0	0	0	125.35	0	0	0	0	329.87	0				
2030	0	0	0	181.69	0	0	0	0	127.86	0	0	0	0	336.47	0				
2031	0	0	0	185.33	0	0	0	0	130.41	0	0	0	0	343.20	0				
	18,500	0	18,500		2,547,450	0	0	0		0	0	0	0		0				

VAN de WATER METROPOLITAN DISTRICT Nos. 1-3

Future Development Projection -- Buildout Plan (updated 9/18/15)

YEAR	Commercial Summary													
	Fast Food/Rest.					Industrial - Parcel C					Total Commercial Market Value	Total Commercial Sq Ft	Value +/- of Platted & Developed Lots Adjustment ¹	Adjusted Value
	SF Devel'd	Incr/(Decr) in Value @ 10%	Finished Lot	Square Ft	per Sq Ft, Inflated @ 2%	SF Devel'd	Incr/(Decr) in Value @ 10%	Completed	Square Ft	per Sq Ft, Inflated @ 2%	Market Value			
2007	0	0	\$125.00	\$0	0	0	\$75.00	\$0	0	0	0	0	0	0
2008	0	0	125.00	0	0	0	75.00	0	0	0	0	0	0	0
2009	0	0	125.00	0	0	0	75.00	0	0	0	0	0	0	0
2010	0	0	125.00	0	0	0	75.00	0	0	0	0	0	0	0
2011	0	0	125.00	0	0	0	75.00	0	0	0	0	0	0	0
2012	0	0	125.00	0	0	0	75.00	0	0	0	0	860,483	860,483	
2013	0	0	125.00	0	0	0	75.00	0	0	0	0	0	0	0
2014	0	0	125.00	0	0	0	75.00	0	0	0	0	(21,483)	(21,483)	
2015	0	0	125.00	0	0	0	75.00	0	0	0	0	0	249,750	
2016	0	0	127.50	0	0	0	76.50	0	2,547,450	18,500	(839,000)	(1,088,750)		
2017	0	0	130.05	0	0	0	78.03	0		0	0	0	0	
2018	0	0	132.65	0	0	0	79.59	0		0	0	0	0	
2019	0	0	135.30	0	0	0	81.18	0		0	0	0	0	
2020	0	0	138.01	0	0	0	82.81	0		0	0	0	0	
2021	0	0	140.77	0	0	0	84.46	0		0	0	0	0	
2022	0	0	143.59	0	0	0	86.15	0		0	0	0	0	
2023	0	0	146.46	0	0	0	87.87	0		0	0	0	0	
2024	0	0	149.39	0	0	0	89.63	0		0	0	0	0	
2025	0	0	152.37	0	0	0	91.42	0		0	0	0	0	
2026	0	0	155.42	0	0	0	93.25	0		0	0	0	0	
2027	0	0	158.53	0	0	0	95.12	0		0	0	0	0	
2028	0	0	161.70	0	0	0	97.02	0		0	0	0	0	
2029	0	0	164.93	0	0	0	98.96	0		0	0	0	0	
2030	0	0	168.23	0	0	0	100.94	0		0	0	0	0	
2031	0	0	171.60	0	0	0	102.96	0		0	0	0	0	
	0	0	0	0	0	0	0	0	2,547,450	18,500	0	0	0	

[1] Adj to actual/prelim AV

SOURCES AND USES OF FUNDS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
SUBORDINATE SERIES 2016B
[Preliminary -- for discussion only]

Dated Date 03/03/2016
Delivery Date 03/03/2016

Sources:	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
Bond Proceeds:			
Par Amount	7,040,000.00	4,158,700.00	11,198,700.00
Net Premium	202,885.65		202,885.65
	7,242,885.65	4,158,700.00	11,401,585.65

Uses:	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
Project Fund Deposits:			
Senior Ser. 2015 Project Fund	3,642,130.17		3,642,130.17
Sub 2015C Project Fund		3,379,471.33	3,379,471.33
Sub 2015D Project Fund		594,348.17	594,348.17
	3,642,130.17	3,973,819.50	7,615,949.67
Refunding Escrow Deposits:			
Cash Deposit	0.62		0.62
SLGS Purchases	2,846,231.00		2,846,231.00
	2,846,231.62		2,846,231.62
Other Fund Deposits:			
Capitalized Interest Fund	536,326.42		536,326.42
Delivery Date Expenses:	216,200.00	184,880.50	401,080.50
Other Uses of Funds:			
Bond Rounding	1,997.44		1,997.44
	7,242,885.65	4,158,700.00	11,401,585.65

BOND MATURITY TABLE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
SUBORDINATE SERIES 2016B
[Preliminary -- for discussion only]

Maturity Date	Ser. 2016A Senior Refunding & New Money	Ser. 2016B Sub Bonds	Total
12/01/2016	85,000		85,000
12/01/2017	55,000		55,000
12/01/2018	55,000		55,000
12/01/2019	105,000		105,000
12/01/2020	110,000		110,000
12/01/2021	105,000		105,000
12/01/2022	115,000		115,000
12/01/2023	115,000		115,000
12/01/2024	120,000		120,000
12/01/2025	120,000		120,000
12/01/2026	120,000		120,000
12/01/2027	125,000		125,000
12/01/2028	135,000		135,000
12/01/2029	135,000		135,000
12/01/2030	140,000		140,000
12/01/2031	145,000		145,000
12/01/2032	150,000		150,000
12/01/2033	290,000		290,000
12/01/2034	305,000		305,000
12/01/2035	320,000		320,000
12/01/2036	335,000		335,000
12/01/2037	350,000		350,000
12/01/2038	370,000		370,000
12/01/2039	385,000		385,000
12/01/2040	405,000		405,000
12/01/2041	425,000		425,000
12/01/2042	445,000		445,000
12/01/2043	470,000		470,000
12/01/2044	490,000		490,000
12/01/2045	515,000		515,000
12/15/2045		4,158,700	4,158,700
	7,040,000	4,158,700	11,198,700

BOND PRICING

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Ser 2016A Term Bond due 2020:									
	12/01/2016	85,000	2.000%	2.000%	100.000				
	12/01/2017	55,000	2.000%	2.000%	100.000				
	12/01/2018	55,000	2.000%	2.000%	100.000				
	12/01/2019	105,000	2.000%	2.000%	100.000				
	12/01/2020	110,000	2.000%	2.000%	100.000				
		410,000							
Ser 2016A Term Bond due 2025:									
	12/01/2021	105,000	3.250%	3.390%	98.843				-1,214.85
	12/01/2022	115,000	3.250%	3.390%	98.843				-1,330.55
	12/01/2023	115,000	3.250%	3.390%	98.843				-1,330.55
	12/01/2024	120,000	3.250%	3.390%	98.843				-1,388.40
	12/01/2025	120,000	3.250%	3.390%	98.843				-1,388.40
		575,000							-6,652.75
Ser 2016A Term Bond due 2030:									
	12/01/2026	120,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,175.20
	12/01/2027	125,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,307.50
	12/01/2028	135,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,572.10
	12/01/2029	135,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,572.10
	12/01/2030	140,000	4.250%	3.920%	102.646 C	4.010%	12/01/2025	100.000	3,704.40
		655,000							17,331.30
Ser 2016A Term Bond due 2035:									
	12/01/2031	145,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	3,440.85
	12/01/2032	150,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	3,559.50
	12/01/2033	290,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	6,881.70
	12/01/2034	305,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	7,237.65
	12/01/2035	320,000	4.500%	4.200%	102.373 C	4.320%	12/01/2025	100.000	7,593.60
		1,210,000							28,713.30
Ser 2016A Term Bond due 2045:									
	12/01/2036	335,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	13,071.70
	12/01/2037	350,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	13,657.00
	12/01/2038	370,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	14,437.40
	12/01/2039	385,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	15,022.70
	12/01/2040	405,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	15,803.10
	12/01/2041	425,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	16,583.50
	12/01/2042	445,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	17,363.90
	12/01/2043	470,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	18,339.40
	12/01/2044	490,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	19,119.80
	12/01/2045	515,000	5.000%	4.500%	103.902 C	4.753%	12/01/2025	100.000	20,095.30
		4,190,000							163,493.80
		7,040,000							202,885.65

Dated Date	03/03/2016
Delivery Date	03/03/2016
First Coupon	06/01/2016
Par Amount	7,040,000.00
Premium	202,885.65
Production	7,242,885.65
Underwriter's Discount	-35,200.00
Purchase Price	7,207,685.65
Accrued Interest	102.381898%
Net Proceeds	7,207,685.65

BOND SUMMARY STATISTICS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A
Full Advance Refunding of Series 2007

New Money Senior Parity Bonds

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth / No Reassessment Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016
First Coupon	06/01/2016
Last Maturity	12/01/2045
Arbitrage Yield	5.826163%
True Interest Cost (TIC)	4.563320%
Net Interest Cost (NIC)	4.657835%
All-In TIC	4.765884%
Average Coupon	4.799208%
Average Life (years)	20.385
Weighted Average Maturity (years)	20.488
Duration of Issue (years)	12.920
Par Amount	7,040,000.00
Bond Proceeds	7,242,885.65
Total Interest	6,887,385.83
Net Interest	6,719,700.18
Bond Years from Dated Date	143,510,888.89
Bond Years from Delivery Date	143,510,888.89
Total Debt Service	13,927,385.83
Maximum Annual Debt Service	545,250.00
Average Annual Debt Service	468,234.86
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	102.381898

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Ser 2016A Term Bond due 2020	410,000.00	100.000	2.000%	2.988	184.50
Ser 2016A Term Bond due 2025	575,000.00	98.843	3.250%	7.805	471.50
Ser 2016A Term Bond due 2030	655,000.00	102.646	4.250%	12.821	537.10
Ser 2016A Term Bond due 2035	1,210,000.00	102.373	4.500%	18.162	980.10
Ser 2016A Term Bond due 2045	4,190,000.00	103.902	5.000%	25.638	3,352.00
	7,040,000.00			20.385	5,525.20

	TIC	All-In TIC	Arbitrage Yield
Par Value	7,040,000.00	7,040,000.00	11,198,700.00
+ Accrued Interest			
+ Premium (Discount)	202,885.65	202,885.65	202,885.65
- Underwriter's Discount	-35,200.00	-35,200.00	
- Cost of Issuance Expense		-181,000.00	
- Other Amounts			
Target Value	7,207,685.65	7,026,685.65	11,401,585.65
Target Date	03/03/2016	03/03/2016	03/03/2016
Yield	4.563320%	4.765884%	5.826163%

BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A

Full Advance Refunding of Series 2007

New Money Senior Parity Bonds

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth / No Reassessment Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			77,898.33	77,898.33	
12/01/2016	85,000	2.000%	159,337.50	244,337.50	322,235.83
06/01/2017			158,487.50	158,487.50	
12/01/2017	55,000	2.000%	158,487.50	213,487.50	371,975.00
06/01/2018			157,937.50	157,937.50	
12/01/2018	55,000	2.000%	157,937.50	212,937.50	370,875.00
06/01/2019			157,387.50	157,387.50	
12/01/2019	105,000	2.000%	157,387.50	262,387.50	419,775.00
06/01/2020			156,337.50	156,337.50	
12/01/2020	110,000	2.000%	156,337.50	266,337.50	422,675.00
06/01/2021			155,237.50	155,237.50	
12/01/2021	105,000	3.250%	155,237.50	260,237.50	415,475.00
06/01/2022			153,531.25	153,531.25	
12/01/2022	115,000	3.250%	153,531.25	268,531.25	422,062.50
06/01/2023			151,662.50	151,662.50	
12/01/2023	115,000	3.250%	151,662.50	266,662.50	418,325.00
06/01/2024			149,793.75	149,793.75	
12/01/2024	120,000	3.250%	149,793.75	269,793.75	419,587.50
06/01/2025			147,843.75	147,843.75	
12/01/2025	120,000	3.250%	147,843.75	267,843.75	415,687.50
06/01/2026			145,893.75	145,893.75	
12/01/2026	120,000	4.250%	145,893.75	265,893.75	411,787.50
06/01/2027			143,343.75	143,343.75	
12/01/2027	125,000	4.250%	143,343.75	268,343.75	411,687.50
06/01/2028			140,687.50	140,687.50	
12/01/2028	135,000	4.250%	140,687.50	275,687.50	416,375.00
06/01/2029			137,818.75	137,818.75	
12/01/2029	135,000	4.250%	137,818.75	272,818.75	410,637.50
06/01/2030			134,950.00	134,950.00	
12/01/2030	140,000	4.250%	134,950.00	274,950.00	409,900.00
06/01/2031			131,975.00	131,975.00	
12/01/2031	145,000	4.500%	131,975.00	276,975.00	408,950.00
06/01/2032			128,712.50	128,712.50	
12/01/2032	150,000	4.500%	128,712.50	278,712.50	407,425.00
06/01/2033			125,337.50	125,337.50	
12/01/2033	290,000	4.500%	125,337.50	415,337.50	540,675.00
06/01/2034			118,812.50	118,812.50	
12/01/2034	305,000	4.500%	118,812.50	423,812.50	542,625.00
06/01/2035			111,950.00	111,950.00	
12/01/2035	320,000	4.500%	111,950.00	431,950.00	543,900.00
06/01/2036			104,750.00	104,750.00	
12/01/2036	335,000	5.000%	104,750.00	439,750.00	544,500.00
06/01/2037			96,375.00	96,375.00	
12/01/2037	350,000	5.000%	96,375.00	446,375.00	542,750.00
06/01/2038			87,625.00	87,625.00	
12/01/2038	370,000	5.000%	87,625.00	457,625.00	545,250.00
06/01/2039			78,375.00	78,375.00	
12/01/2039	385,000	5.000%	78,375.00	463,375.00	541,750.00
06/01/2040			68,750.00	68,750.00	
12/01/2040	405,000	5.000%	68,750.00	473,750.00	542,500.00
06/01/2041			58,625.00	58,625.00	
12/01/2041	425,000	5.000%	58,625.00	483,625.00	542,250.00
06/01/2042			48,000.00	48,000.00	
12/01/2042	445,000	5.000%	48,000.00	493,000.00	541,000.00
06/01/2043			36,875.00	36,875.00	
12/01/2043	470,000	5.000%	36,875.00	506,875.00	543,750.00
06/01/2044			25,125.00	25,125.00	
12/01/2044	490,000	5.000%	25,125.00	515,125.00	540,250.00
06/01/2045			12,875.00	12,875.00	
12/01/2045	515,000	5.000%	12,875.00	527,875.00	540,750.00
			7,040,000	6,887,385.83	13,927,385.83
					13,927,385.83

NET DEBT SERVICE BREAKDOWN

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A

Full Advance Refunding of Series 2007

New Money Senior Parity Bonds

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth / No Reassessment Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Date	Ser. 2016A Senior Refunding	Ser. 2016A Senior New Money	Total	Annual Total
06/01/2016	30,051.39		30,051.39	
12/01/2016	146,468.75		146,468.75	176,520.14
06/01/2017	60,618.75		60,618.75	
12/01/2017	115,618.75		115,618.75	176,237.50
06/01/2018	60,068.75		60,068.75	
12/01/2018	115,068.75		115,068.75	175,137.50
06/01/2019	59,518.75	97,868.75	157,387.50	
12/01/2019	119,518.75	142,868.75	262,387.50	419,775.00
06/01/2020	58,918.75	97,418.75	156,337.50	
12/01/2020	118,918.75	147,418.75	266,337.50	422,675.00
06/01/2021	58,318.75	96,918.75	155,237.50	
12/01/2021	118,318.75	141,918.75	260,237.50	415,475.00
06/01/2022	57,343.75	96,187.50	153,531.25	
12/01/2022	117,343.75	151,187.50	268,531.25	422,062.50
06/01/2023	56,368.75	95,293.75	151,662.50	
12/01/2023	121,368.75	145,293.75	266,662.50	418,325.00
06/01/2024	55,312.50	94,481.25	149,793.75	
12/01/2024	120,312.50	149,481.25	269,793.75	419,587.50
06/01/2025	54,256.25	93,587.50	147,843.75	
12/01/2025	124,256.25	143,587.50	267,843.75	415,687.50
06/01/2026	53,118.75	92,775.00	145,893.75	
12/01/2026	123,118.75	142,775.00	265,893.75	411,787.50
06/01/2027	51,631.25	91,712.50	143,343.75	
12/01/2027	126,631.25	141,712.50	268,343.75	411,687.50
06/01/2028	50,037.50	90,650.00	140,687.50	
12/01/2028	125,037.50	150,650.00	275,687.50	416,375.00
06/01/2029	48,443.75	89,375.00	137,818.75	
12/01/2029	128,443.75	144,375.00	272,818.75	410,637.50
06/01/2030	46,743.75	88,206.25	134,950.00	
12/01/2030	131,743.75	143,206.25	274,950.00	409,900.00
06/01/2031	44,937.50	87,037.50	131,975.00	
12/01/2031	129,937.50	147,037.50	276,975.00	408,950.00
06/01/2032	43,025.00	85,687.50	128,712.50	
12/01/2032	133,025.00	145,687.50	278,712.50	407,425.00
06/01/2033	41,000.00	84,337.50	125,337.50	
12/01/2033	136,000.00	279,337.50	415,337.50	540,675.00
06/01/2034	38,862.50	79,950.00	118,812.50	
12/01/2034	138,862.50	284,950.00	423,812.50	542,625.00
06/01/2035	36,612.50	75,337.50	111,950.00	
12/01/2035	141,612.50	290,337.50	431,950.00	543,900.00
06/01/2036	34,250.00	70,500.00	104,750.00	
12/01/2036	144,250.00	295,500.00	439,750.00	544,500.00
06/01/2037	31,500.00	64,875.00	96,375.00	
12/01/2037	146,500.00	299,875.00	446,375.00	542,750.00
06/01/2038	28,625.00	59,000.00	87,625.00	
12/01/2038	148,625.00	309,000.00	457,625.00	545,250.00
06/01/2039	25,625.00	52,750.00	78,375.00	
12/01/2039	150,625.00	312,750.00	463,375.00	541,750.00
06/01/2040	22,500.00	46,250.00	68,750.00	
12/01/2040	152,500.00	321,250.00	473,750.00	542,500.00
06/01/2041	19,250.00	39,375.00	58,625.00	
12/01/2041	159,250.00	324,375.00	483,625.00	542,250.00
06/01/2042	15,750.00	32,250.00	48,000.00	
12/01/2042	160,750.00	332,250.00	493,000.00	541,000.00
06/01/2043	12,125.00	24,750.00	36,875.00	
12/01/2043	167,125.00	339,750.00	506,875.00	543,750.00
06/01/2044	8,250.00	16,875.00	25,125.00	
12/01/2044	168,250.00	346,875.00	515,125.00	540,250.00
06/01/2045	4,250.00	8,625.00	12,875.00	
12/01/2045	174,250.00	353,625.00	527,875.00	540,750.00
	5,311,045.14	8,079,150.00	13,390,195.14	13,390,195.14

AGGREGATE DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2016A

Full Advance Refunding of Series 2007

New Money Senior Parity Bonds

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Date	Ser. 2016A Senior Refunding Principal	Ser. 2016A Senior Refunding Interest	Ser. 2016A Senior Refunding Debt Service	Ser. 2016A Senior New Money Principal	Ser. 2016A Senior New Money Interest	Ser. 2016A Senior New Money Debt Service	Aggregate Debt Service	Less Capitalized Interest, plus Ser. 2011 DS and FOH	Annual Total
12/01/2016	85,000	91,520.14	176,520.14		145,715.69	145,715.69	322,235.83	-24,115.69	298,120.14
12/01/2017	55,000	121,237.50	176,237.50		195,737.50	195,737.50	371,975.00	-71,537.50	300,437.50
12/01/2018	55,000	120,137.50	175,137.50		195,737.50	195,737.50	370,875.00	-69,337.50	301,537.50
12/01/2019	60,000	119,037.50	179,037.50	45,000	195,737.50	240,737.50	419,775.00	123,200.00	542,975.00
12/01/2020	60,000	117,837.50	177,837.50	50,000	194,837.50	244,837.50	422,675.00	120,000.00	542,675.00
12/01/2021	60,000	116,637.50	176,637.50	45,000	193,837.50	238,837.50	415,475.00	126,800.00	542,275.00
12/01/2022	60,000	114,687.50	174,687.50	55,000	192,375.00	247,375.00	422,062.50	122,800.00	544,862.50
12/01/2023	65,000	112,737.50	177,737.50	50,000	190,587.50	240,587.50	418,325.00	123,800.00	542,125.00
12/01/2024	65,000	110,625.00	175,625.00	55,000	188,962.50	243,962.50	419,587.50	124,400.00	543,987.50
12/01/2025	70,000	108,512.50	178,512.50	50,000	187,175.00	237,175.00	415,687.50	124,600.00	540,287.50
12/01/2026	70,000	106,237.50	176,237.50	50,000	185,550.00	235,550.00	411,787.50	129,400.00	541,187.50
12/01/2027	75,000	103,262.50	178,262.50	50,000	183,425.00	233,425.00	411,687.50	128,400.00	540,087.50
12/01/2028	75,000	100,075.00	175,075.00	60,000	181,300.00	241,300.00	416,375.00	127,000.00	543,375.00
12/01/2029	80,000	96,887.50	176,887.50	55,000	178,750.00	233,750.00	410,637.50	130,200.00	540,837.50
12/01/2030	85,000	93,487.50	178,487.50	55,000	176,412.50	231,412.50	409,900.00	132,600.00	542,500.00
12/01/2031	85,000	89,875.00	174,875.00	60,000	174,075.00	234,075.00	408,950.00	134,200.00	543,150.00
12/01/2032	90,000	86,050.00	176,050.00	60,000	171,375.00	231,375.00	407,425.00	135,000.00	542,425.00
12/01/2033	95,000	82,000.00	177,000.00	195,000	168,675.00	363,675.00	540,675.00		540,675.00
12/01/2034	100,000	77,725.00	177,725.00	205,000	159,900.00	364,900.00	542,625.00		542,625.00
12/01/2035	105,000	73,225.00	178,225.00	215,000	150,675.00	365,675.00	543,900.00		543,900.00
12/01/2036	110,000	68,500.00	178,500.00	225,000	141,000.00	366,000.00	544,500.00		544,500.00
12/01/2037	115,000	63,000.00	178,000.00	235,000	129,750.00	364,750.00	542,750.00		542,750.00
12/01/2038	120,000	57,250.00	177,250.00	250,000	118,000.00	368,000.00	545,250.00		545,250.00
12/01/2039	125,000	51,250.00	176,250.00	260,000	105,500.00	365,500.00	541,750.00		541,750.00
12/01/2040	130,000	45,000.00	175,000.00	275,000	92,500.00	367,500.00	542,500.00		542,500.00
12/01/2041	140,000	38,500.00	178,500.00	285,000	78,750.00	363,750.00	542,250.00		542,250.00
12/01/2042	145,000	31,500.00	176,500.00	300,000	64,500.00	364,500.00	541,000.00		541,000.00
12/01/2043	155,000	24,250.00	179,250.00	315,000	49,500.00	364,500.00	543,750.00		543,750.00
12/01/2044	160,000	16,500.00	176,500.00	330,000	33,750.00	363,750.00	540,250.00		540,250.00
12/01/2045	170,000	8,500.00	178,500.00	345,000	17,250.00	362,250.00	540,750.00		540,750.00
	2,865,000	2,446,045.14	5,311,045.14	4,175,000	4,441,340.69	8,616,340.69	13,927,385.83	1,617,409.31	15,544,795.14

SOURCES AND USES OF FUNDS

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Advance Refunding of Series 2007

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016

Sources:

Bond Proceeds:	
Par Amount	2,865,000.00
Net Premium	71,213.85
	<hr/>
	2,936,213.85

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.62
SLGS Purchases	<hr/> 2,846,231.00
	2,846,231.62

Delivery Date Expenses:	<hr/> 87,984.79
Other Uses of Funds:	
Bond Rounding	<hr/> 1,997.44
	<hr/> 2,936,213.85

BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			30,051.39	30,051.39	
12/01/2016	85,000	2.000%	61,468.75	146,468.75	176,520.14
06/01/2017			60,618.75	60,618.75	
12/01/2017	55,000	2.000%	60,618.75	115,618.75	176,237.50
06/01/2018			60,068.75	60,068.75	
12/01/2018	55,000	2.000%	60,068.75	115,068.75	175,137.50
06/01/2019			59,518.75	59,518.75	
12/01/2019	60,000	2.000%	59,518.75	119,518.75	179,037.50
06/01/2020			58,918.75	58,918.75	
12/01/2020	60,000	2.000%	58,918.75	118,918.75	177,837.50
06/01/2021			58,318.75	58,318.75	
12/01/2021	60,000	3.250%	58,318.75	118,318.75	176,637.50
06/01/2022			57,343.75	57,343.75	
12/01/2022	60,000	3.250%	57,343.75	117,343.75	174,687.50
06/01/2023			56,368.75	56,368.75	
12/01/2023	65,000	3.250%	56,368.75	121,368.75	177,737.50
06/01/2024			55,312.50	55,312.50	
12/01/2024	65,000	3.250%	55,312.50	120,312.50	175,625.00
06/01/2025			54,256.25	54,256.25	
12/01/2025	70,000	3.250%	54,256.25	124,256.25	178,512.50
06/01/2026			53,118.75	53,118.75	
12/01/2026	70,000	4.250%	53,118.75	123,118.75	176,237.50
06/01/2027			51,631.25	51,631.25	
12/01/2027	75,000	4.250%	51,631.25	126,631.25	178,262.50
06/01/2028			50,037.50	50,037.50	
12/01/2028	75,000	4.250%	50,037.50	125,037.50	175,075.00
06/01/2029			48,443.75	48,443.75	
12/01/2029	80,000	4.250%	48,443.75	128,443.75	176,887.50
06/01/2030			46,743.75	46,743.75	
12/01/2030	85,000	4.250%	46,743.75	131,743.75	178,487.50
06/01/2031			44,937.50	44,937.50	
12/01/2031	85,000	4.500%	44,937.50	129,937.50	174,875.00
06/01/2032			43,025.00	43,025.00	
12/01/2032	90,000	4.500%	43,025.00	133,025.00	176,050.00
06/01/2033			41,000.00	41,000.00	
12/01/2033	95,000	4.500%	41,000.00	136,000.00	177,000.00
06/01/2034			38,862.50	38,862.50	
12/01/2034	100,000	4.500%	38,862.50	138,862.50	177,725.00
06/01/2035			36,612.50	36,612.50	
12/01/2035	105,000	4.500%	36,612.50	141,612.50	178,225.00
06/01/2036			34,250.00	34,250.00	
12/01/2036	110,000	5.000%	34,250.00	144,250.00	178,500.00
06/01/2037			31,500.00	31,500.00	
12/01/2037	115,000	5.000%	31,500.00	146,500.00	178,000.00
06/01/2038			28,625.00	28,625.00	
12/01/2038	120,000	5.000%	28,625.00	148,625.00	177,250.00
06/01/2039			25,625.00	25,625.00	
12/01/2039	125,000	5.000%	25,625.00	150,625.00	176,250.00
06/01/2040			22,500.00	22,500.00	
12/01/2040	130,000	5.000%	22,500.00	152,500.00	175,000.00
06/01/2041			19,250.00	19,250.00	
12/01/2041	140,000	5.000%	19,250.00	159,250.00	178,500.00
06/01/2042			15,750.00	15,750.00	
12/01/2042	145,000	5.000%	15,750.00	160,750.00	176,500.00
06/01/2043			12,125.00	12,125.00	
12/01/2043	155,000	5.000%	12,125.00	167,125.00	179,250.00
06/01/2044			8,250.00	8,250.00	
12/01/2044	160,000	5.000%	8,250.00	168,250.00	176,500.00
06/01/2045			4,250.00	4,250.00	
12/01/2045	170,000	5.000%	4,250.00	174,250.00	178,500.00
	2,865,000		2,446,045.14	5,311,045.14	5,311,045.14

CALL PROVISIONS

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Advance Refunding of Series 2007

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Call Table: CALL

Call Date	Call Price
12/01/2025	100.00

SUMMARY OF REFUNDING RESULTS

**VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)**
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016
Arbitrage yield	5.826163%
Escrow yield	0.754161%
Value of Negative Arbitrage	221,475.18
Bond Par Amount	2,865,000.00
True Interest Cost	4.477586%
Net Interest Cost	4.577738%
All-In TIC	4.698627%
Average Coupon	4.715010%
Average Life	18.107
Par amount of refunded bonds	2,555,000.00
Average coupon of refunded bonds	6.500000%
Average life of refunded bonds	10.124
PV of prior debt to 03/03/2016 @ 4.435590%	3,006,417.59
Net PV Savings	72,201.18
Percentage savings of refunded bonds	2.825878%

SAVINGS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 03/03/2016 @ 4.4355904%
06/01/2016	83,037.50	30,051.39	52,986.11		52,420.92
12/01/2016	173,037.50	146,468.75	26,568.75	79,554.86	25,715.04
06/01/2017	80,112.50	60,618.75	19,493.75		18,458.01
12/01/2017	175,112.50	115,618.75	59,493.75	78,987.50	55,110.51
06/01/2018	77,025.00	60,068.75	16,956.25		15,366.20
12/01/2018	177,025.00	115,068.75	61,956.25	78,912.50	54,928.18
06/01/2019	73,775.00	59,518.75	14,256.25		12,364.85
12/01/2019	183,775.00	119,518.75	64,256.25	78,512.50	54,522.08
06/01/2020	70,200.00	58,918.75	11,281.25		9,364.57
12/01/2020	185,200.00	118,918.75	66,281.25	77,562.50	53,826.32
06/01/2021	66,462.50	58,318.75	8,143.75		6,469.97
12/01/2021	186,462.50	118,318.75	68,143.75	76,287.50	52,963.54
06/01/2022	62,562.50	57,343.75	5,218.75		3,968.18
12/01/2022	192,562.50	117,343.75	75,218.75	80,437.50	55,953.09
06/01/2023	58,337.50	56,368.75	1,968.75		1,432.72
12/01/2023	193,337.50	121,368.75	71,968.75	73,937.50	51,237.62
06/01/2024	53,950.00	55,312.50	-1,362.50		-948.98
12/01/2024	198,950.00	120,312.50	78,637.50	77,275.00	53,582.34
06/01/2025	49,237.50	54,256.25	-5,018.75		-3,345.50
12/01/2025	204,237.50	124,256.25	79,981.25	74,962.50	52,158.74
06/01/2026	44,200.00	53,118.75	-8,918.75		-5,690.05
12/01/2026	204,200.00	123,118.75	81,081.25	72,162.50	50,606.50
06/01/2027	39,000.00	51,631.25	-12,631.25		-7,712.69
12/01/2027	209,000.00	126,631.25	82,368.75	69,737.50	49,203.43
06/01/2028	33,475.00	50,037.50	-16,562.50		-9,679.04
12/01/2028	218,475.00	125,037.50	93,437.50	76,875.00	53,419.65
06/01/2029	27,462.50	48,443.75	-20,981.25		-11,735.04
12/01/2029	222,462.50	128,443.75	94,018.75	73,037.50	51,444.78
06/01/2030	21,125.00	46,743.75	-25,618.75		-13,713.81
12/01/2030	226,125.00	131,743.75	94,381.25	68,762.50	49,426.47
06/01/2031	14,462.50	44,937.50	-30,475.00		-15,613.17
12/01/2031	229,462.50	129,937.50	99,525.00	69,050.00	49,883.05
06/01/2032	7,475.00	43,025.00	-35,550.00		-17,431.47
12/01/2032	237,475.00	133,025.00	104,450.00	68,900.00	50,104.44
06/01/2033	41,000.00		-41,000.00		-19,240.89
12/01/2033		136,000.00	-136,000.00	-177,000.00	-62,438.68
06/01/2034		38,862.50	-38,862.50		-17,454.97
12/01/2034		138,862.50	-138,862.50	-177,725.00	-61,016.42
06/01/2035		36,612.50	-36,612.50		-15,738.55
12/01/2035		141,612.50	-141,612.50	-178,225.00	-59,553.92
06/01/2036		34,250.00	-34,250.00		-14,091.03
12/01/2036		144,250.00	-144,250.00	-178,500.00	-58,059.27
06/01/2037		31,500.00	-31,500.00		-12,403.37
12/01/2037		146,500.00	-146,500.00	-178,000.00	-56,433.93
06/01/2038		28,625.00	-28,625.00		-10,787.52
12/01/2038		148,625.00	-148,625.00	-177,250.00	-54,795.08
06/01/2039		25,625.00	-25,625.00		-9,242.45
12/01/2039		150,625.00	-150,625.00	-176,250.00	-53,148.83
06/01/2040		22,500.00	-22,500.00		-7,766.99
12/01/2040		152,500.00	-152,500.00	-175,000.00	-51,500.74
06/01/2041		19,250.00	-19,250.00		-6,359.86
12/01/2041		159,250.00	-159,250.00	-178,500.00	-51,471.88
06/01/2042		15,750.00	-15,750.00		-4,980.18
12/01/2042		160,750.00	-160,750.00	-176,500.00	-49,726.58
06/01/2043		12,125.00	-12,125.00		-3,669.38
12/01/2043		167,125.00	-167,125.00	-179,250.00	-49,479.58
06/01/2044		8,250.00	-8,250.00		-2,389.53
12/01/2044		168,250.00	-168,250.00	-176,500.00	-47,674.55
06/01/2045		4,250.00	-4,250.00		-1,178.13
12/01/2045		174,250.00	-174,250.00	-178,500.00	-47,255.39
	4,278,800.00	5,311,045.14	-1,032,245.14	-1,032,245.14	70,203.74

SAVINGS

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Advance Refunding of Series 2007

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Savings Summary

PV of savings from cash flow	70,203.74
Plus: Refunding funds on hand	1,997.44
Net PV Savings	72,201.18

SUMMARY OF BONDS REFUNDED

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
12/20/07: SER 07 LTGO, \$3.000M, 2032 mat (call 12/1/17):					
TERM32	12/01/2016	6.500%	90,000.00		
	12/01/2017	6.500%	95,000.00		
	12/01/2018	6.500%	100,000.00	12/01/2017	100.000
	12/01/2019	6.500%	110,000.00	12/01/2017	100.000
	12/01/2020	6.500%	115,000.00	12/01/2017	100.000
	12/01/2021	6.500%	120,000.00	12/01/2017	100.000
	12/01/2022	6.500%	130,000.00	12/01/2017	100.000
	12/01/2023	6.500%	135,000.00	12/01/2017	100.000
	12/01/2024	6.500%	145,000.00	12/01/2017	100.000
	12/01/2025	6.500%	155,000.00	12/01/2017	100.000
	12/01/2026	6.500%	160,000.00	12/01/2017	100.000
	12/01/2027	6.500%	170,000.00	12/01/2017	100.000
	12/01/2028	6.500%	185,000.00	12/01/2017	100.000
	12/01/2029	6.500%	195,000.00	12/01/2017	100.000
	12/01/2030	6.500%	205,000.00	12/01/2017	100.000
	12/01/2031	6.500%	215,000.00	12/01/2017	100.000
	12/01/2032	6.500%	230,000.00	12/01/2017	100.000
2,555,000.00					

ESCROW REQUIREMENTS

**VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)**
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Dated Date 03/03/2016
Delivery Date 03/03/2016

Period Ending	Principal	Interest	Principal Redeemed	Total
06/01/2016		83,037.50		83,037.50
12/01/2016	90,000.00	83,037.50		173,037.50
06/01/2017		80,112.50		80,112.50
12/01/2017	95,000.00	80,112.50	2,370,000.00	2,545,112.50
	185,000.00	326,300.00	2,370,000.00	2,881,300.00

PRIOR BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			83,037.50	83,037.50	
12/01/2016	90,000	6.500%	83,037.50	173,037.50	256,075
06/01/2017			80,112.50	80,112.50	
12/01/2017	95,000	6.500%	80,112.50	175,112.50	255,225
06/01/2018			77,025.00	77,025.00	
12/01/2018	100,000	6.500%	77,025.00	177,025.00	254,050
06/01/2019			73,775.00	73,775.00	
12/01/2019	110,000	6.500%	73,775.00	183,775.00	257,550
06/01/2020			70,200.00	70,200.00	
12/01/2020	115,000	6.500%	70,200.00	185,200.00	255,400
06/01/2021			66,462.50	66,462.50	
12/01/2021	120,000	6.500%	66,462.50	186,462.50	252,925
06/01/2022			62,562.50	62,562.50	
12/01/2022	130,000	6.500%	62,562.50	192,562.50	255,125
06/01/2023			58,337.50	58,337.50	
12/01/2023	135,000	6.500%	58,337.50	193,337.50	251,675
06/01/2024			53,950.00	53,950.00	
12/01/2024	145,000	6.500%	53,950.00	198,950.00	252,900
06/01/2025			49,237.50	49,237.50	
12/01/2025	155,000	6.500%	49,237.50	204,237.50	253,475
06/01/2026			44,200.00	44,200.00	
12/01/2026	160,000	6.500%	44,200.00	204,200.00	248,400
06/01/2027			39,000.00	39,000.00	
12/01/2027	170,000	6.500%	39,000.00	209,000.00	248,000
06/01/2028			33,475.00	33,475.00	
12/01/2028	185,000	6.500%	33,475.00	218,475.00	251,950
06/01/2029			27,462.50	27,462.50	
12/01/2029	195,000	6.500%	27,462.50	222,462.50	249,925
06/01/2030			21,125.00	21,125.00	
12/01/2030	205,000	6.500%	21,125.00	226,125.00	247,250
06/01/2031			14,462.50	14,462.50	
12/01/2031	215,000	6.500%	14,462.50	229,462.50	243,925
06/01/2032			7,475.00	7,475.00	
12/01/2032	230,000	6.500%	7,475.00	237,475.00	244,950
	2,555,000		1,723,800.00	4,278,800.00	4,278,800

ESCROW DESCRIPTIONS

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate	Total Cost
Mar 3, 2016:							
SLGS	Certificate	06/01/2016	06/01/2016	78,125	0.090%	0.090%	78,125.00
SLGS	Certificate	12/01/2016	12/01/2016	162,597	0.400%	0.400%	162,597.00
SLGS	Note	06/01/2017	06/01/2016	70,158	0.550%	0.550%	70,158.00
SLGS	Note	12/01/2017	06/01/2016	2,535,351	0.770%	0.770%	2,535,351.00
						2,846,231	2,846,231.00

SLGS Summary

SLGS Rates File	24NOV15
Total Certificates of Indebtedness	240,722.00
Total Notes	2,605,509.00
Total original SLGS	2,846,231.00

ESCROW STATISTICS

**VAN de WATER METROPOLITAN DISTRICT
 GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)**
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Total Escrow Cost	Modified Duration (years)	PV of 1 bp change	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
2,846,231.62	1.620	461.11	0.754161%	0.754161%	2,624,756.37	221,475.18	0.07
2,846,231.62		461.11			2,624,756.37	221,475.18	0.07

Delivery date
 Arbitrage yield

03/03/2016
 5.826163%

SUMMARY OF UNREFUNDED BONDS

VAN de WATER METROPOLITAN DISTRICT

GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)

Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense

Advance Refunding of Series 2007

Assumes BBB Rated, BQ, 30-yr. Maturity

(No Growth Assumptions, wraps Series 2011)

[Preliminary -- for discussion only]

Bond	Maturity Date	Interest Rate	Par Amount
8/30/11: SER 11 LTGO, \$1.200M, 2032 mat (call 12/1/21):			
TERM32	12/01/2016	8.000%	30,000.00
	12/01/2017	8.000%	35,000.00
	12/01/2018	8.000%	40,000.00
	12/01/2019	8.000%	40,000.00
	12/01/2020	8.000%	40,000.00
	12/01/2021	8.000%	50,000.00
	12/01/2022	8.000%	50,000.00
	12/01/2023	8.000%	55,000.00
	12/01/2024	8.000%	60,000.00
	12/01/2025	8.000%	65,000.00
	12/01/2026	8.000%	75,000.00
	12/01/2027	8.000%	80,000.00
	12/01/2028	8.000%	85,000.00
	12/01/2029	8.000%	95,000.00
	12/01/2030	8.000%	105,000.00
	12/01/2031	8.000%	115,000.00
	12/01/2032	8.000%	125,000.00
			1,145,000.00

UNREFUNDED BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (REFUNDING)
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Advance Refunding of Series 2007
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth Assumptions, wraps Series 2011)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			45,800	45,800	
12/01/2016	30,000	8.000%	45,800	75,800	121,600
06/01/2017			44,600	44,600	
12/01/2017	35,000	8.000%	44,600	79,600	124,200
06/01/2018			43,200	43,200	
12/01/2018	40,000	8.000%	43,200	83,200	126,400
06/01/2019			41,600	41,600	
12/01/2019	40,000	8.000%	41,600	81,600	123,200
06/01/2020			40,000	40,000	
12/01/2020	40,000	8.000%	40,000	80,000	120,000
06/01/2021			38,400	38,400	
12/01/2021	50,000	8.000%	38,400	88,400	126,800
06/01/2022			36,400	36,400	
12/01/2022	50,000	8.000%	36,400	86,400	122,800
06/01/2023			34,400	34,400	
12/01/2023	55,000	8.000%	34,400	89,400	123,800
06/01/2024			32,200	32,200	
12/01/2024	60,000	8.000%	32,200	92,200	124,400
06/01/2025			29,800	29,800	
12/01/2025	65,000	8.000%	29,800	94,800	124,600
06/01/2026			27,200	27,200	
12/01/2026	75,000	8.000%	27,200	102,200	129,400
06/01/2027			24,200	24,200	
12/01/2027	80,000	8.000%	24,200	104,200	128,400
06/01/2028			21,000	21,000	
12/01/2028	85,000	8.000%	21,000	106,000	127,000
06/01/2029			17,600	17,600	
12/01/2029	95,000	8.000%	17,600	112,600	130,200
06/01/2030			13,800	13,800	
12/01/2030	105,000	8.000%	13,800	118,800	132,600
06/01/2031			9,600	9,600	
12/01/2031	115,000	8.000%	9,600	124,600	134,200
06/01/2032			5,000	5,000	
12/01/2032	125,000	8.000%	5,000	130,000	135,000
	1,145,000		1,009,600	2,154,600	2,154,600

SOURCES AND USES OF FUNDS

**VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds**
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Dated Date	03/03/2016
Delivery Date	03/03/2016

Sources:

Bond Proceeds:	
Par Amount	4,175,000.00
Net Premium	131,671.80
	<hr/>
	4,306,671.80

Uses:

Project Fund Deposits:	
Senior Ser. 2015 Project Fund	3,642,130.17
Other Fund Deposits:	
Capitalized Interest Fund	536,326.42

Delivery Date Expenses:	<hr/>
	128,215.21
	<hr/>
	4,306,671.80

BOND DEBT SERVICE

VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			47,846.94	47,846.94	
12/01/2016			97,868.75	97,868.75	145,715.69
06/01/2017			97,868.75	97,868.75	
12/01/2017			97,868.75	97,868.75	195,737.50
06/01/2018			97,868.75	97,868.75	
12/01/2018			97,868.75	97,868.75	195,737.50
06/01/2019			97,868.75	97,868.75	
12/01/2019	45,000	2.000%	97,868.75	142,868.75	240,737.50
06/01/2020			97,418.75	97,418.75	
12/01/2020	50,000	2.000%	97,418.75	147,418.75	244,837.50
06/01/2021			96,918.75	96,918.75	
12/01/2021	45,000	3.250%	96,918.75	141,918.75	238,837.50
06/01/2022			96,187.50	96,187.50	
12/01/2022	55,000	3.250%	96,187.50	151,187.50	247,375.00
06/01/2023			95,293.75	95,293.75	
12/01/2023	50,000	3.250%	95,293.75	145,293.75	240,587.50
06/01/2024			94,481.25	94,481.25	
12/01/2024	55,000	3.250%	94,481.25	149,481.25	243,962.50
06/01/2025			93,587.50	93,587.50	
12/01/2025	50,000	3.250%	93,587.50	143,587.50	237,175.00
06/01/2026			92,775.00	92,775.00	
12/01/2026	50,000	4.250%	92,775.00	142,775.00	235,550.00
06/01/2027			91,712.50	91,712.50	
12/01/2027	50,000	4.250%	91,712.50	141,712.50	233,425.00
06/01/2028			90,650.00	90,650.00	
12/01/2028	60,000	4.250%	90,650.00	150,650.00	241,300.00
06/01/2029			89,375.00	89,375.00	
12/01/2029	55,000	4.250%	89,375.00	144,375.00	233,750.00
06/01/2030			88,206.25	88,206.25	
12/01/2030	55,000	4.250%	88,206.25	143,206.25	231,412.50
06/01/2031			87,037.50	87,037.50	
12/01/2031	60,000	4.500%	87,037.50	147,037.50	234,075.00
06/01/2032			85,687.50	85,687.50	
12/01/2032	60,000	4.500%	85,687.50	145,687.50	231,375.00
06/01/2033			84,337.50	84,337.50	
12/01/2033	195,000	4.500%	84,337.50	279,337.50	363,675.00
06/01/2034			79,950.00	79,950.00	
12/01/2034	205,000	4.500%	79,950.00	284,950.00	364,900.00
06/01/2035			75,337.50	75,337.50	
12/01/2035	215,000	4.500%	75,337.50	290,337.50	365,675.00
06/01/2036			70,500.00	70,500.00	
12/01/2036	225,000	5.000%	70,500.00	295,500.00	366,000.00
06/01/2037			64,875.00	64,875.00	
12/01/2037	235,000	5.000%	64,875.00	299,875.00	364,750.00
06/01/2038			59,000.00	59,000.00	
12/01/2038	250,000	5.000%	59,000.00	309,000.00	368,000.00
06/01/2039			52,750.00	52,750.00	
12/01/2039	260,000	5.000%	52,750.00	312,750.00	365,500.00
06/01/2040			46,250.00	46,250.00	
12/01/2040	275,000	5.000%	46,250.00	321,250.00	367,500.00
06/01/2041			39,375.00	39,375.00	
12/01/2041	285,000	5.000%	39,375.00	324,375.00	363,750.00
06/01/2042			32,250.00	32,250.00	
12/01/2042	300,000	5.000%	32,250.00	332,250.00	364,500.00
06/01/2043			24,750.00	24,750.00	
12/01/2043	315,000	5.000%	24,750.00	339,750.00	364,500.00
06/01/2044			16,875.00	16,875.00	
12/01/2044	330,000	5.000%	16,875.00	346,875.00	363,750.00
06/01/2045			8,625.00	8,625.00	
12/01/2045	345,000	5.000%	8,625.00	353,625.00	362,250.00
	4,175,000		4,441,340.69	8,616,340.69	8,616,340.69

CALL PROVISIONS

**VAN de WATER METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2016A (IMPROVEMENTS)
New Money Senior Parity Bonds**
Max size: 105x on 45.98 (D2 target) & 40.00 (D3 target) Mills less Operations Expense
Assumes BBB Rated, BQ, 30-yr. Maturity
(No Growth / No Reassessment Assumptions, wraps Series 2011 & proposed Series 2016)
[Preliminary -- for discussion only]

Call Table: CALL

Call Date	Call Price
12/01/2025	100.00

AFFIDAVIT OF PUBLICATION

REPORTER-HERALD

State of Colorado
County of Larimer

I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated **December 28, 2015**.



Agent

Subscribed and sworn to before me this 28th day of December, 2015 in the County of Boulder, State of Colorado.



Notary Public

Fee \$ 24.02
Account # 222605
Ad # 5662626

RITA MARIE HANNER-WARD NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20144042768 MY COMMISSION EXPIRES NOVEMBER 4, 2018

STATE OF COLORADO, CITY OF LOVELAND NOTICE OF PUBLIC HEARING IN RE VDW METROPOLITAN DISTRICTS NOS. 1-3 BOND ISSUANCE AND EXTENSION OF DEBT MATURITY <p style="margin-left: 20px;">PUBLIC NOTICE IS HEREBY GIVEN that the City of Loveland City Council has received a request by VDW Metropolitan District Nos. 1-3 (the "Districts") that the City of Loveland City Council will hold a public hearing to consider approving the Districts' request to issue bonds on a date after July 1, 2012 and to extend the maturity of a portion of the Districts' current debt.</p> <p style="margin-left: 20px;">NOTICE IS HEREBY FURTHER GIVEN that the City of Loveland City Council, Larimer County, State of Colorado, will hold a public hearing at or about 6:30 p.m. on January 19, 2016 in the City Council Chambers, 500 East Third Street, Loveland, Colorado, for the purpose of considering the question of approving the Districts' issuance of bonds on a date after July 1, 2012 and the question of extending the maturity of a portion of the Districts' current debt by refunding, as both actions require a public hearing and approval of the City of Loveland City Council pursuant to Sections VII.B and VII.E of the Districts' Consolidated Service Plan. All protests and objections must be submitted in writing to the City of Loveland City Council at or prior to the public hearing or any continuance or postponement thereof in order to be considered. All protests and objections to the Districts' proposed actions shall be deemed to be waived unless presented at the time and in the manner specified by the City of Loveland.</p> <p style="margin-left: 20px;">BY ORDER OF CITY COUNCIL FOR THE CITY OF LOVELAND, STATE OF COLORADO</p> <p style="margin-left: 20px;">Published: Loveland Reporter Herald December 28, 2015 - 5662626</p>
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CITY OF LOVELAND
WATER & POWER DEPARTMENT
 200 North Wilson • Loveland, Colorado 80537
 (970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

AGENDA ITEM: 16
MEETING DATE: 1/19/2016
TO: City Council
FROM: Steve Adams, Water and Power Director
PRESENTER: Jim Lees, Utility Accounting Manager

TITLE:

An Emergency Ordinance Enacting a Supplemental Budget and Appropriation to the 2016 City of Loveland Budget for Design and Construction of the Photovoltaic (Solar) Facility Federal Emergency Management Agency (FEMA) Alternate Project

RECOMMENDED CITY COUNCIL ACTION:

Conduct a Public Hearing and approve the Emergency Ordinance on first and only reading, which requires an affirmative vote of 2/3 of the entire Council (6 votes) under Charter Section 4-10.

OPTIONS:

1. Adopt the action as recommended.
2. Deny the action.
3. Adopt a modified action.
4. Refer back to staff for further development and consideration.

SUMMARY:

This is an administrative action. This ordinance re-appropriates funding approved in 2015 for the Solar facility portion of the FEMA Alternate Project. This emergency ordinance is being requested as an acceleration of the normal re-appropriation process so that completion of the Solar facility can stay on schedule.

At the July 7, 2015 City Council Meeting, Council approved a supplemental budget appropriation, on second reading, of \$9,068,018 for the substation and Solar facility FEMA Alternate Projects. Of the \$9,068,018, \$5,068,018 was for the Solar facility and came out of the Power Plant Investment Fee (PIF) Fund, which is used for growth-related capital projects. The remaining \$4,000,000 for the substation project will be included with the City's re-appropriation ordinance that is presented to City Council in April 2016.

In the normal course of events, this \$5,068,018 would be included with the City's re-appropriation ordinance that is presented to City Council in April 2016. However, in order to stay on target to complete the Solar facility by December 31, 2016, we need to enter into a contract for the design and construction by no later than January 31, 2016. Before the contract can be executed, funds for this project must be appropriated in the 2016 budget.

On December 1, 2015, the City Council unanimously approved the notice to award the contract to Namaste Solar and authorized the City Manager to execute the contract. The Solar facility is required to be complete by December 31, 2016 in order for the City to take advantage of a three times multiplier credit for renewable energy resources. This credit was extended by the State of Colorado for two projects, including our FEMA Alternate Project. In order to meet the December

31, 2016 deadline, Loveland Water and Power needs to move forward aggressively with planning, design, procurement and construction of this project. Due to the significant delays in the notice of approval by Colorado Office of Emergency Management (COEM) and FEMA, the City did not receive approval to move forward until late 2015. In order to achieve completion of this project by December 31, 2016, the appropriation and contract execution need to occur in January 2016.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

The Solar Facility project was funded in 2015. The re-appropriation of this project does not have an impact on the 2016 budget. Since the assumption in developing the 2016 budget it was expected that these funds would be encumbered by the end of 2015, funding for this is available because the encumbrance did not occur and became a fund balance at the end of 2015.

BACKGROUND:

On May 30, 2014, Loveland received confirmation that FEMA had determined the City was eligible to receive a subgrant of \$9,068,018 for an alternate FEMA project to replace the Idylwilde Dam and Penstock facilities lost in the September 2013 Flood. On January 6, 2015 the City Council authorized Loveland Water and Power to submit two project scopes to the state for this alternate project subgrant, one for the construction of a Solar facility and one for the construction of a substation. On March 12, 2015 both project scopes were approved by the COEM and FEMA. Along with approving the project scopes, Loveland Water and Power also requested and received approval to extend the timeline to complete these projects.

On April 30, 2015 an amendment to the project site was submitted to COEM and FEMA for approval to move the site from southeast of Boedecker Lake to the current site, formerly Meadowbrook Ridge, now renamed the Foothills Solar Facility and the Foothills Substation. On June 11, 2015, Loveland Water and Power posted a request for proposal (RFP) for the Foothills Solar Facility. This competitive process was performed in compliance with the Federal Acquisition Requirements (FARs) for a two-step design/build process for the FEMA Alternate Project. Design proposals were received on July 23, 2015. Phase 2 of this process requested pricing responses from all three contractors to support their submitted designs. Phase 2 pricing proposals were received on September 3, 2015.

On October 21, 2015, the Loveland Utilities Commission (LUC) recommended that City Council approve a resolution issuing a notice of award for final design completion, project oversight during construction, and construction to Namaste Solar, contingent on receiving scope change approval for the project location from the State and FEMA. On November 24, 2015 City received approval of the scope change from the COEM and FEMA. On December 1, 2015, City Council approved the contract to move forward for execution.

The FEMA project worksheet for the Solar alternate project totals \$5,068,018. The City can expect to receive 87.5% or \$4,434,516 of expenses in project reimbursements. Reserves are available in the funds to cover the difference between the total project expenses and the 87.5% reimbursement from FEMA. As detailed and approved on July 7, 2015 by the City Council the funds that were requested to be allocated were as follows:

Project	Supplemental Request Amount	Power Utility Fund	Budget Line Item/Project Number
(Revenue) Solar Facility FEMA Alternate Project	\$4,434,516	Revenue - Power PIF Fund (331)	331-00-000-0000-32000
(Expense) Solar Facility FEMA Alternate Project	(\$5,068,018)	Power PIF Fund (331)	331-47-334-2903-49399-FLD922

REVIEWED BY CITY MANAGER:


LIST OF ATTACHMENTS:

Ordinance

FIRST AND ONLY READING January 19, 2016**EMERGENCY ORDINANCE NO. 5992****AN ORDINANCE ENACTING AN EMERGENCY SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2016 CITY OF LOVELAND BUDGET FOR A FEMA SOLAR FACILITY ALTERNATE PROJECT**

WHEREAS, the City's 2015 budget included an appropriation for the FEMA Solar Facility project that was not completed or closed out by the end of 2015, when the 2015 budget appropriations expired in accordance with the City of Loveland Charter and state law, requiring re-appropriation in 2016 to permit expenditure of such funds to continue with respect to ongoing projects; and

WHEREAS, the Federal Emergency Management Agency (FEMA) delayed necessary approvals for the solar project until the end of 2015 and in order to receive FEMA funds the solar project must be complete by December 31, 2016. In order to complete the project by December 31, 2016, funds must be appropriated, the contract executed, and work begin immediately; and

WHEREAS, the City has received and reserved funds not anticipated or appropriated at the time of the adoption of the 2016 City budget for a FEMA Solar Facility alternate project; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting an emergency supplemental budget and appropriation to the 2016 City budget for a FEMA Solar Facility alternate project, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That revenues in the amount of \$4,434,516 from a Federal grant in the Power Plant Investment Fee Fund are available for appropriation. That reserves in the amount of \$633,502 from fund balance in the Power Plant Investment Fee Fund are available for appropriation. Such revenues in the total amount of \$5,068,018 are hereby appropriated to the 2016 City budget for a FEMA Solar Facility alternate project. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

Supplemental Budget
Power Plant Investment Fee Fund 331

Revenues

Fund Balance	633,502
331-00-000-0000-32000	Federal Grant
Total Revenue	5,068,018

Appropriations

331-47-334-2903-49399 FLD922	Other Capital
Total Appropriations	5,068,018

Section 2. That the City Council finds and determines that an emergency exists requiring immediate passage of this Ordinance in order to execute the contract and begin construction as quickly as possible for the preservation of the health, safety, and welfare of the citizens of the City of Loveland.

Section 3. This Ordinance shall be in full force and effect upon final adoption and shall be published in full after adoption, as provided in City Charter Section 4-10(b).

ADOPTED this 19th day of January, 2016.

Cecil A. Gutierrez, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



Assistant City Attorney



CITY OF LOVELAND
ECONOMIC DEVELOPMENT OFFICE
 Civic Center • 500 East Third • Loveland, Colorado 80537
 (970) 962-2304 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM:	17
MEETING DATE:	1/19/2016
TO:	City Council
FROM:	Mike Scholl, Economic Development Department
PRESENTER:	Mike Scholl, Economic Development Department

TITLE:

A Public Update on the Downtown South Catalyst Request for Proposals and a Possible Executive Session to Discuss Confidential Commercial and Financial Information Protected Under the Open Meetings Law and City Charter and/or Colorado Open Records Act

RECOMMENDED CITY COUNCIL ACTION:

Consider matters in open public session and adopt a motion directing staff to develop an Exclusive Right to Negotiate with Brinkman Partners and return to Council for review and approval. If necessary, hold an Executive Session for the purpose of review of proprietary business materials and establishing direction to be given to staff for further actions.

SUMMARY:

This is an administrative action. On October 6, 2015 City Council approved a Request for Proposals (RFP) for a development partner for the South Catalyst project. In addition, Council approved a Review Committee that included City Councilors, City staff and downtown stakeholders. After a thorough review, the Review Committee is recommending the City partner with Brinkman Partners from Fort Collins for the South Catalyst project.

The Executive Session may be used to discuss the financial request and conceptual plans that were submitted by both developers under a non-disclosure agreement. Based on the direction provided by Council, staff intends to bring the Exclusive Right to Negotiate (ERN) with the Brinkman Partners back to Council for consideration at the February 2 regular meeting.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

BACKGROUND:

The South Catalyst Project is intended to accelerate downtown revitalization and has been contemplated by the City since 2009. The project under consideration will need to be economically viable and generate benefits and activity for the surrounding downtown area. Specifically, the City is interested in developments that will achieve some mix of the following:

- bring new employees downtown
- increase retail opportunities
- increase the number of residential units; and

- provide unique entertainment attractions that will bring people downtown such as a movie theater

The proposal and project concepts that were submitted by each of the proposers incorporated all four of the elements listed above. Both proposals were found to be responsive, and the proposers themselves to be high-quality development teams. The City's consultant, Rick Wells, has submitted an overview of the RFP process and the responses (Attachment 6).

The RFP Review Committee conducted two hour interviews with both firms. At the interviews, the firms were allowed one hour to present their proposals followed by an hour of questions and discussions. After the interviews, follow-up was done with both proposers to obtain additional information about various elements of the proposals. In addition, the financial strength of both of the proposers were reviewed by Rick Wells, the City's consultant. In addition, members of the Review Committee toured some of the Brinkman development projects in Fort Collins. Following the interview meetings, the Committee met three times to review the findings and the additional information from the firms on the financial capabilities, design concepts, and other areas of interest.

Overviews of the two proposals are attached. The Committee found merits in parts of each, which are compared in Attachment 3. The Committee's recommendation took into account all factors, and on balance the Committee favored the Brinkman proposal.

Proprietary financial and design materials were furnished with each proposal, which are protected under Non-Disclosure Agreements (NDAs) which Committee members were required to sign. Should the Council wish to review these materials in Executive Session, then signature of NDAs will be required.

The Brinkman Partners (<http://www.brinkmanpartners.com/>) are an integrated real estate development firm, which includes development, commercial brokerage services, general contracting and property management. They have extensive experience in downtown redevelopment and were the City's partner on the Gallery Flats project. The unanimous recommendation of those on the Review Committee (attached) is to select Brinkman Partners. If Council approves, then an Exclusive Right to Negotiate for a six-month period will be developed and returned to City Council for authorization.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Brinkman Partners overview
2. Momentum/Prime West overview
3. Comparison
4. Statement of the Interview Committee
5. Downtown Request for Proposal
6. ReGen Analysis of RFP and Responses

RFP Proposal Summary
Brinkman Partners

Developer:

The proposal is from the Brinkman Partners (“Brinkman”) represented by Kevin Brinkman, President and Jay Hardy, Senior Vice President of Development.

Proposed Development Approach:

The Brinkman Partners offered a phased approach that would include the following in the first phase:

- 100 units of multi-family residential
- 4 to 6 screen movie theater
- 7,000 square feet of general retail
- 370 space parking structure

The commercial office space is broken down into two smaller 25,000 square foot buildings that would be built with tenant commitments. Brinkman indicated that they had “letter of intent” with a theater company and a local ice cream shop, though copies were not provided to the interview committee.

Proposed Design Approach:

The design approach locates the office space on the south end of the project site and moves the residential, theater and retail to 3rd Street. The conceptual design called for a partial closure of 3rd Street with extensive pedestrian connectivity and alley improvements. They have proposed that the residential would be built to the existing market similar to Gallery Flats. The design did not address sustainability and energy efficiency but in subsequent conversations expressed a desire to incorporate those elements. They are proposing to build five to six stories mixed use buildings on 3rd Street that would include the residential, retail and the movie theater. The proposed parking structure, under the conceptual design, would be six stories.

Total Square Footage:

348,370 square feet

Total Development Cost:

\$52.7 million including the garage

Proposed Public Participation:

Under the proposal, the City would be required pay for roughly two-thirds of the cost of the parking structure. Brinkman indicated that the parking structure would be “subject to negotiation” and indicated a willingness to partner on the cost of construction. In addition, Brinkman asked for partial site clearance. They have asked for a blanket fee waiver and the contribution of the land.

Total public contribution, after the contribution of the land at approximately \$5.7 million, the additional public contribution to be funded through tax increment finance, fee waivers, and/or general fund dollars is expected to be approximately \$10.5 million.

Financial Ability:

Based on a financial review by the City’s consultant Rick Wells, the group is more than adequately capitalized and has access to debt sources that can be used.

Conceptual Design: (See next page)

The conceptual designs were not required by the RFP but were provided voluntarily by the proposer. It is important to understand that the designs are conceptual and will act as the starting point for the discussion. The interview team had extensive discussions with both proposers about the design consideration and both understand that if selected they will be subject to extensive community input.

This depiction is in no way the final design.



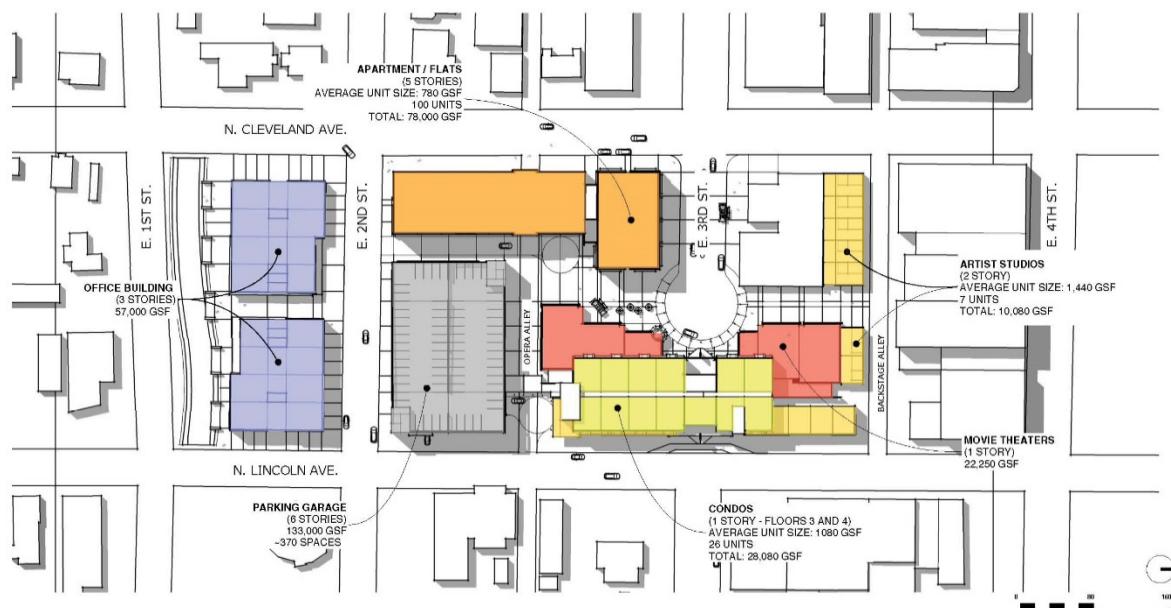
115253.00 • BRINKMAN PARTNERS • CONCEPT DESIGN • 11.11.2015

SOUTH CATALYST PROJECT | LOVELAND, CO



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

p8



115253.00 • BRINKMAN PARTNERS • CONCEPT DESIGN • 11.11.2015

SOUTH CATALYST PROJECT | LOVELAND, CO



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

p6

BUILDING PERSPECTIVES



VIEW TOWARDS CONDOS & LIVE/WORK - LOOKING NORTHWEST

115253.00 • BRINKMAN PARTNERS • CONCEPT DESIGN • 11.11.2015

SOUTH CATALYST PROJECT | LOVELAND, CO



15

BUILDING AERIALS



115253.00 • BRINKMAN PARTNERS • CONCEPT DESIGN • 11.11.2015

SOUTH CATALYST PROJECT | LOVELAND, CO



10

RFP Proposal Summary

Momentum Development/Prime West

Developer:

The proposal is a partnership between Momentum Development (residential development; Jamie and Jeff Temple, principals) and Prime West (office development; Jim Neenan, principal).

Proposed Development Approach:

The partnership would seek to build a higher end project that currently exists in the downtown market. The proposal includes:

- a co-working space as an anchor for a larger commercial office development
- 150 high-end residential units (rental rates would exceed the current market by 10 to 15 percent).
- 4 to 6 screen movie theater as an anchor for retail and have had preliminary discussions with a theater operator.

Proposed Design Approach:

The partnership is proposing much higher end amenities to drive the market. This includes extensive street treatments on 3rd that would seek to connect the Civic Center plaza with the activities at Artspace and Artworks at 3rd and Railroad. They have also proposed to develop to a LEED Gold Standard that include energy efficiency elements within the units as well as the possibility of solar panels on rooftops.

The office space would face 3rd Street along with a movie theater and 20,000 square feet of general retail. The concept would vacate 2nd Street to be used for the residential portion and the parking structure.

Total Square Footage:

326,993 – 363,493 square feet

Total Development Cost:

\$58 million total including the garage

Proposed Public Participation:

Under the proposal, the City would be required to provide a clean site free of encumbrances and 350 parking spaces in a garage. They have asked for a blanket fee waiver and the contribution of land.

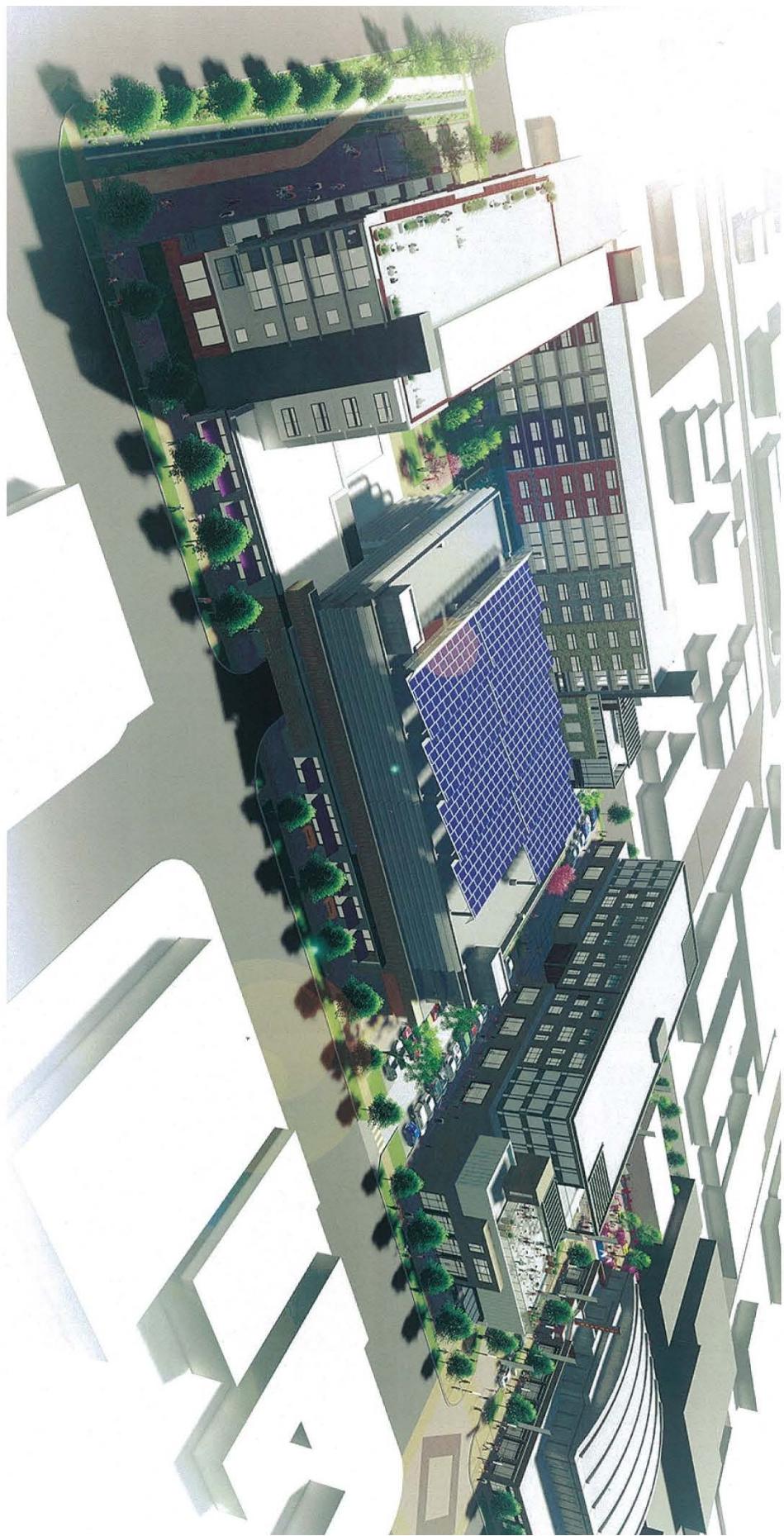
Total public contribution, after the contribution of the land at approximately \$5.7 million, the additional public contribution to be funded through tax increment finance, fee waivers, and/or general fund dollars is expected to be approximately \$17.3 to \$19.8 million.

Financial Ability:

Based on a financial review by the City's consultant Rick Wells, the group is more than adequately capitalized for the project, and has access to debt sources that can be used.

Conceptual Design: (See next page)

The conceptual designs were not required by the RFP but were provided voluntarily by the proposer. It is important to understand that the designs are conceptual and will act as the starting point for the discussion. The interview team had extensive discussions with Momentum/Prime West about design and they understand that if selected they will be subject to extensive community input. ***This depiction is in no way the final design.***



LOVELAND - SOUTH CATALYST PROJECT:
Bringing the "Love" back to Downtown Loveland



RNL

RFP Response
Side by Side Comparison

Project Element	Brinkman Partners	Momentum/Prime West
Multi-Family Rental	100 units in a five story building 26 units of for sale condos (proposed) 9 live work units (ground floor units)	150 units in a six story building 6-7 artist studios (ground floor garage)
Office/Commercial	Two 25,000 square foot buildings that would be three stories with no parking Seven artist studios along backstage alley	57,000 square feet three and a half story building with no parking
General Retail	7,000 square feet at ground level incorporated into the residential development.	20,000 square feet of retail included in the office building development.
Theater	22,250 square feet with four to six screens. The theater would be incorporated into the residential.	22,000 square feet with four to six screens. Theater would be built as a standalone structure.
Parking Garage	370 spaces on a six story building. No on street retail.	250 to 350 spaces five to six stories above grade with on street artist studios.
Site	Partial clearance	Clean site
Total Project	348,370 square feet	326,993 to 363,493 square feet
Total Construction Cost	\$52.7 million	\$58 million
Public Participation	Approximately \$16.2 million	Approximately \$23 to \$25.5 million



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January 6, 2016

City Council,

The members of RFP Review committee are pleased to recommend the Brinkman Partners of Fort Collins as the City's preferred developer for the South Catalyst project. We appreciate the opportunity to support the Council's effort and look forward to the completion of a successful project.

We are grateful for the effort put forth by both Brinkman Partners and Momentum Development/Prime West. Both proposals were very thorough, well thought out and gave the committee members a lot to consider. The committee conducted two hour interviews with each team, requested additional information and asked numerous follow up questions. The committee discussed the different design approaches, development philosophy, potential impact to the downtown and overall cost of the project. After a thorough review, we believe that while both firms demonstrated capability to complete a successful project, we believe that the Brinkman Partners is a better fit for the City and for downtown Loveland.

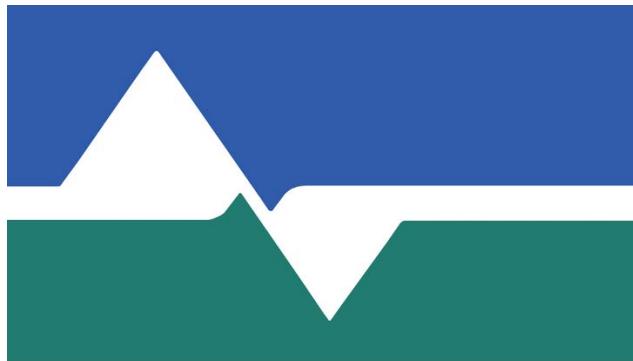
The committee offers its unanimous support for the Brinkman Partners.

Thank you again.

Sincerely,

Doug Rutledge, Downtown Development Authority
Jim Cox, Loveland Downtown Partnership
Jacque Wedding-Scott, Executive Director LDP/DDA
Dave Clark, Loveland City Council
John Fogle, Loveland City Council
Steve Adams, Director Water and Power Department
Alan Krcmarik, Executive Fiscal Advisor

DOWNTOWN REQUEST FOR PROPOSALS



City of Loveland

The City of Loveland (City) is seeking a development partner for the **“South Catalyst Project”** in downtown Loveland. The property, which covers just under two city blocks (see attached map), is owned by the City and offers a unique opportunity to create an innovative commercial development within a vibrant downtown district.

The developer selected through this Request for Proposals (RFP) process will receive an **Exclusive Right to Negotiate** (ERN) for 180 days. A minimum deposit of \$10,000, which may be refundable consistent with the terms of the ERN, will be due upon the developer signing the ERN.

Schedule:

Friday, November 13, 2015 – 5:00 p.m.	Proposals Due
Week of November 30, 2015	Developer Interviews (2 hours)
Tuesday, January 5, 2016 (tentative)	Consideration of the ERN by City Council at a regular meeting

Background: As part of the Downtown Strategic Plan and Downtown Vision Book, the City seeks a development partner for a significant development project in downtown Loveland, Colorado. The City acquired approximately 3.9 acres of contiguous property, plus the potential for including street rights of way over two city blocks, in the core of the Downtown (Site).

Desired Project: The City is seeking to redevelop the Site in a manner that will have a long-term positive impact on the ongoing revitalization of Downtown Loveland. The City is interested in developments that will achieve some mix of the following:

- bring new employees downtown;
- increase retail opportunities;
- increase the number of residential units; and

DOWNTOWN REQUEST FOR PROPOSALS

- provide unique entertainment attractions, such as a movie theater, that will bring people downtown.

The Site should encompass vibrant mixed-use development that activates the Downtown. The City seeks a project that will not only be economically viable in its own right but will also generate benefits to and activities for the surrounding downtown area. The project design should complement the existing Downtown environment. The project should generate significant property and sales tax revenue. A significant commercial anchor tenant is also highly desirable. It is expected that a development group, or groups, will construct the buildings, exterior design features, and potentially the parking.

Project Area: The project area includes approximately 3.9 acres, or approximately 168,500 square feet, on two blocks bordered by Lincoln and Cleveland Avenues and by 2nd Street and Back Stage Alley (alley between 3rd and 4th Streets) in the heart of the City's core downtown. Depending on the design, alleys can be vacated and portions of 2nd and 3rd Street can be incorporated into the project design. The project site is identified on the attached map.

Potential City Contribution: The City will consider possible incentives for commercial and retail development consistent with the City of Loveland Incentive Policy. In considering financial participation in any of the proposals, the City will review the criteria included in this RFP and the proposal to determine the level and type of financial participation on a case-by-case basis, consistent with applicable law. All City contributions are subject to full revenue analysis and terms, including the possibility of future revenue sharing, all of which are subject to approval by the Loveland City Council. The City is open to negotiating a partnered solution for parking.

Incentives may include:

- Façade Improvement Grants;
- Urban Renewal Area Programs;
- Historic Preservation Tax Credit Programs;
- Market Research Assistance;
- Fee Waivers: Exemption from Approximately 20 City Fees, including building permit fees and Capital Expansion Fees;
- General Improvement Districts; and/or
- Such other contributions as approved by the Loveland City Council.

Developer Interviews: Interviews will be held the week of November 30, 2015, in the City Manager's Conference Room at Loveland City Hall. Interviewers may include City representatives and consultants, representatives of the Downtown Development Authority and the Loveland Downtown Partnership, and each interview will last approximately two hours.

Requirements: By responding to the RFP, the developer is seeking to make a proposal to the City to be the development partner for this project. The proposal must include, at a minimum, the following:

1. *Cover Letter* addressed to: Bill Cahill, City Manager
City of Loveland



DOWNTOWN REQUEST FOR PROPOSALS

500 E. 3rd Street
Loveland, Colorado 80537

2. *Completed Proposal Form: (see below)*
3. *Concept Plan Description* – Provide a basic description of the proposed project that includes the parcels to be developed, estimated total square footage, proposed uses, preliminary building footprints and elevations, proposed site improvements, and any tenant commitments, with as much detail as possible to aid in understanding the project proposal and concept plan. The development proposal should address site conditions, including the ditch and ditch easement on the south side of the project area. While detailed renderings or conceptual plans are preferred, the City is not requiring those and firms will not be disqualified for not including them.
4. *Preliminary Pro Forma* – Include a project pro forma that includes lease rates, construction costs, a preliminary estimate of public contributions and a projected cash flow analysis for a term of no less than ten years.
5. *Management and Financial Information* – Include the names and contact information of the principals of the firm responding to the RFP, plus references and current financial statements of the firm that demonstrate capability to complete the proposed project
6. Examples of similar projects and development history.
7. Schedule including proposed due diligence process and any schedule contingencies.
8. Proposed pricing and/or formula to determine pricing.
9. Financial and legal capabilities and plans (i.e. equity versus debt, etc.), including the financial lending institutions and/or underwriters to be used and their expertise relative to this type of project.
10. Developer's expectations of the City on the assistance required to complete the project.

Proposals should be concise. A proposal generally should not exceed five total pages, excluding project experience, development history and the attached application form. Any requested restrictions for the use or inspection of material contained within the submittal shall be clearly stated. Confidential commercial financial and/or proprietary information must be clearly identified and separately packaged from the rest of the submittal, and if so identified, the City will protect those items from disclosure to the extent permitted by law.

Review Process: The RFP review process is intended to be simple and efficient. City staff will review the proposal for completeness and consistency with the overall strategic plan goals. If the



DOWNTOWN REQUEST FOR PROPOSALS

proposal meets the basic criteria, City staff will schedule interviews with the development teams to discuss the developer's overall vision for the project. The City may choose to shortlist no more than three developers and request additional information on the project vision and financial impact.

Proposals will be evaluated for their overall impact to the downtown area and the potential for generating property and sales tax increment revenue to the Loveland Urban Renewal Authority/Downtown Development Authority.

Exclusive Right to Negotiate: Upon selection of a developer, City staff will prepare a request to the City Council to authorize an ERN and request from the developer a minimum \$10,000 refundable deposit. The ERN will provide for exclusive negotiations with the developer for the purposes of achieving a development project. The ERN will have a duration of 180 days with the opportunity to extend based on commitment to the project and progress. The City will begin negotiations with the selected developer on a Disposition and Development Agreement for the project. The outcome of the negotiation would be a development agreement for consideration by the City Council.

Consideration/Selection: The City reserves the right to reject any or all proposals in whole or in part or to accept proposals and to waive any and all irregularities in proposals. The City may accept the proposal(s), which in its evaluation best respond to a balance of the following criteria:

1. Quality of the proposed plan;
2. Consistency with City's Downtown Strategic Plan and Downtown Vision Book;
3. Financial and legal ability of the developer to complete the project;
4. Mix of land uses, design quality and amenities, including pedestrian, landscaping, and other amenities;
5. Long-term viability of the proposed project;
6. Development experience, including experience with similar downtown development projects;
7. Ability to attract to the project an anchor tenant and/or substantial retail uses, including any pre-leasing or letters of commitment; and
8. Proposed timeline to contract and construct project.

Negotiation of Financial Assistance: Once the ERN is approved, the City will engage in negotiations with the developer on a Disposition and Development Agreement that may include participation from the recently formed Loveland Downtown Development Authority.

Location: See the attached map. The area is bounded by Lincoln Avenue to the east and Cleveland Avenue on the west and includes the area north of 1st Street to Back Stage Alley (alley between 3rd and 4th Streets).

Deposit: If selected, the developer will be required to post a minimum \$10,000 refundable deposit prior to consideration of the ERN by the City Council.



DOWNTOWN REQUEST FOR PROPOSALS

Other Materials:

Downtown Strategic Plan: <http://www.cityofloveland.org/index.aspx?page=1697>

Downtown Vision Book: <http://www.cityofloveland.org/index.aspx?page=1698>

Incentive Policy: <http://www.cityofloveland.org/modules/showdocument.aspx?documentid=10321>

Deadlines: Proposals are due: **November 13, 2015 at 5:00 p.m.** Proposals that are submitted after the due date will not be accepted.

Respondents shall submit five (5) paper copies plus one (1) electronic copy to:

Mike Scholl
Economic Development Department
City of Loveland
500 East Third Street, Suite 300
Loveland, CO 80537
mike.scholl@cityofloveland.org
Ph: 970-962-2607

Electronic copies may be submitted via email to mike.scholl@cityofloveland.org.

Questions: Please direct all questions in writing to Mike Scholl at the mailing address or email address listed above.

Disclaimer: Any development agreement, including the Exclusive Right to Negotiate agreement, is subject to the review and approval of the Loveland City Council.



DOWNTOWN REQUEST FOR PROPOSALS**PROPOSAL FORM****CONTACT INFORMATION**

Entity Name: _____

Type of Organization: _____

State of Organization _____

Main Contact: _____

Address: _____

Phone: _____ Email: _____

MANAGEMENT AND FINANCIAL INFORMATION

Key investors (any investor with more than 15 percent share of ownership, whether individual or other entity). Identify principals who have management control.

Name	Address	Phone
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

DOWNTOWN REQUEST FOR PROPOSALS

REFERENCES

List three references who may give information about the ability of the proposer to complete the development proposal.

Name

Address

Phone

CONSENT TO CREDIT REPORTS

I hereby consent to allow for a credit check/report to be obtained on the principals and firm proposing on the Downtown South Catalyst project.

Signature

Date

CERTIFICATIONS (please initial to the left and sign at bottom)

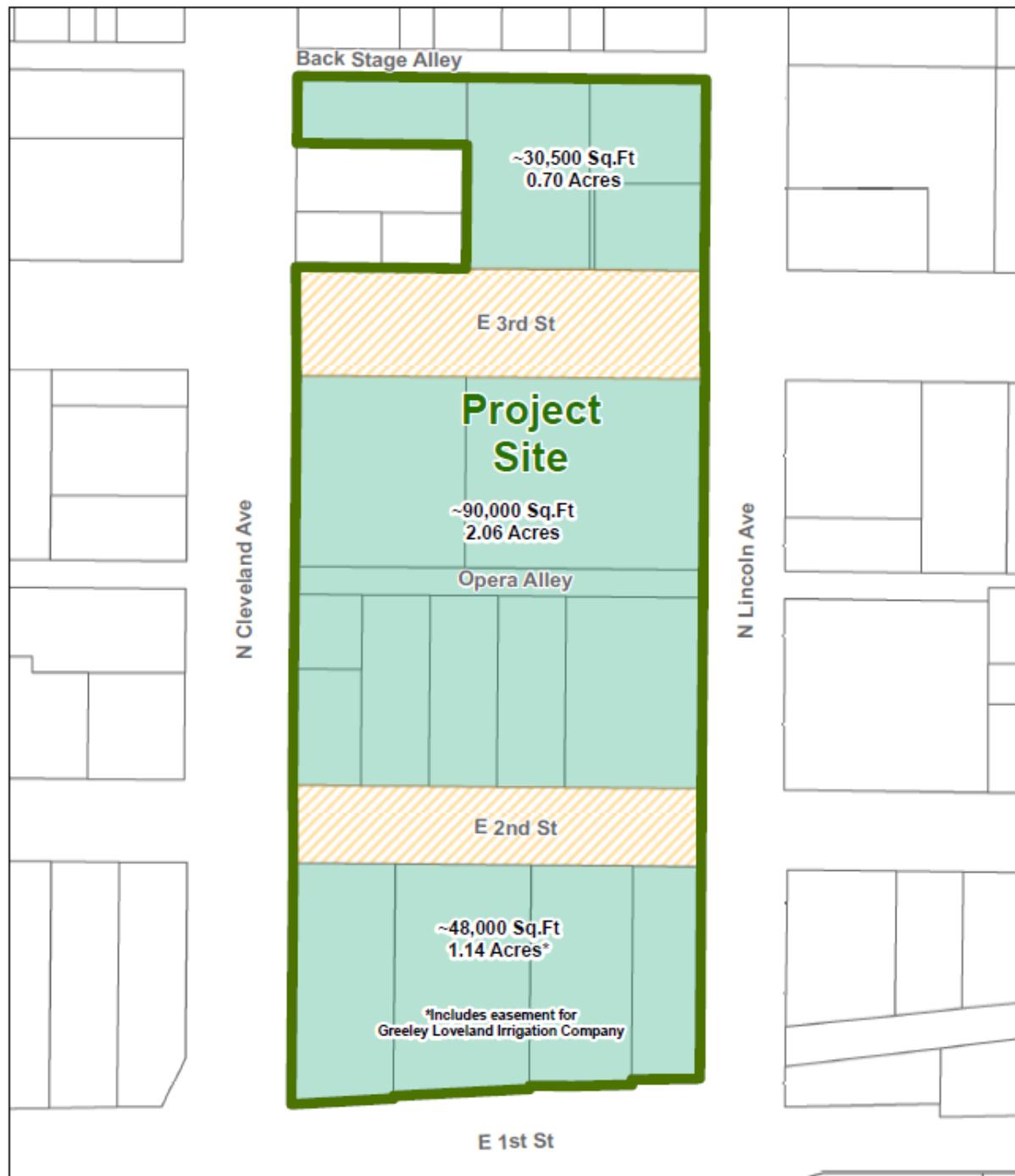
_____ I have read and understand the proposal.

Signature

Date

DOWNTOWN REQUEST FOR PROPOSALS

P. 177



Downtown Project Area



NOTE: All calculations were made using best available data and should be considered approximate.



To: Bill Cahill, City Manager
From: Rick Wells, ReGen
Date: December 1, 2105
RE: RFP Response/Consultant Review

As requested I have reviewed the City of Loveland Request for Proposal (“RFP”) for the redevelopment of the south catalyst blocks in downtown Loveland. From an administrative process perspective, I found the RFP to be clear as to the requirement for submittal, the response review process, the criteria for selecting a winning responder, and the timeline for review. The RFP is clear in laying out the City’s expectations for redevelopment of the site with appropriate references to City sponsored vision and planning documents. The RFP strikes an appropriate balance between laying out the City’s willingness to participate with financial incentives for the project without providing specific financial participation targets to the potential developer. The only suggestion I would have with regards to the construction of the RFP is that in future similar RFP’s you might provide more content within the body of the RFP as to development context with pictures and a larger scale map that orients a potential responder to the site and the opportunity without requiring the responder to connect to the links. While all of this content is available through the links, the document itself could have more marketing photos and descriptive content for a responder who is unfamiliar with Loveland and its plans for downtown. I do not believe however that making this minor change would indicate a need to re-issue the RFP, or that it had a significant impact on the number or quality of responses.

I have also given some thought and talked to some potential responders as to why there was not a greater number of responders to the RFP. It is my opinion that the number of respondents was limited by several factors, as discussed below:

Developers Capacity to Respond – Being in the land development market in the front range of Colorado, I know from personal experience and from speaking with colleagues in the business that all of the land development companies are busy with existing projects under construction, or in planning. The real estate industry is very cyclical and is in a boom cycle in this region. Knowing the business is cyclical, most companies tend not to overstaff, knowing a downturn is somewhere in the future. What tends to suffer in such a situation is developer’s ability to respond to new proposals with their staffs busy with existing projects.

Size of the Project – At approximately 4 acres in an urban infill location, this project ends up as somewhat of a “tweener”. It is too small for some of the larger development companies, and at nearly two full blocks is too large from some of the smaller development firms, thus eliminating some potential responders.

The Built Environment/Urban Infill – With the project having “hard edges” such as the canal, the main street one way pair streets, existing utilities, and existing structures to be removed or re-used, the project presents challenges that some development firms are not staffed to accommodate. This type of urban infill project is attractive primarily to firms that have successfully completed this type of project previously. This eliminates any developer that specializes in more suburban or green field developments, thus again eliminating some potential responders.

Mixed Use – The desire to have mixed products on this site also limits the number of responders. The size of the site also indicates that some of the uses may have to be vertically stacked as well, which adds another level of construction, legal, and marketing complexities. While it is appropriate and important for this site to be urban mixed use, it again limits the pool of responders and eliminates a large number of single or even two product developers. For example, many multi-family rental developers are now accomplished at including a ground floor retail component to a project. Those that are also willing to take on a commercial office development are much fewer.

Specificity of City Program – The City as owner of the property and as a steward for the City regarding downtown re-vitalization has a vision for the site which includes employment, structured parking, retail, residential, and movie theatre. With the City requesting such a dense mixture of uses on just 4 acres, the project is most likely to require vertical mixes of uses and a sharing of parking resources amongst the users. While fulfilling the City vision, it also weighs the project down with specific uses that dictate density and design type more typical of more dense urban or suburban projects. This level of complexity and suggested mix of uses again limits the number of qualified respondents, and may have discouraged some responders with “simpler” projects to pursue in a boom market.

City as Development Partner/Public Finance – Having the City as a development partner has both advantages and disadvantages from a private developer’s perspective. The advantage is the availability of incentives and public funding, the disadvantage is being required to work with a City bureaucracy with regards to decision making and funding. This is not a Loveland specific issue, but more that some developers just won’t want the additional effort and costs associated with contracting with and partnering with a governmental entity.

Brownfield Development – While the buildings and remaining environmental exposure on the site appear to be limited, the fact that there are existing structures and that there is some risk (even minor) of environmental issues will cause some developers to eliminate projects from consideration for a response.

It is my opinion, that while no one of the factors discussed above are a fatal flaw to the RFP process or for the successful redevelopment of the site, the combination of factors when viewed in the context of a very active and somewhat stressed construction and development market may have led to the City receiving fewer responses than expected. When you are already busy and looking at a new project with limited capacity to respond, simpler is better, and this is not a simple development project.

I would suggest that with two solid proposals in hand, the best course of action is to move forward, as you are doing and evaluate whether one of the proposers is likely to be capable of delivering on the City's vision for the project with a good development plan. If the City determines the current respondents are not likely to be successful, we should discuss these minor changes or nuances to be applied to a subsequent RFP, if necessary.

Sincerely,

Rick Wells
Principal, REGen, LLC



CITY OF LOVELAND
ECONOMIC DEVELOPMENT OFFICE
Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2304 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 18
MEETING DATE: 1/19/2016
TO: City Council
FROM: Marcie Erion, Economic Development Department
Alan Krcmarik, Executive Fiscal Advisor
PRESENTER: Marcie Erion and Alan Krcmarik

TITLE:

This item includes an update on two projects, the Regional Tourism Act (RTA) project and the Eagle Crossing Development, and a possible Executive Session on each project to develop strategy for negotiations, instructing negotiators, and determining positions relative to matters that may be subject to negotiations, and for the receipt of legal advice.

RECOMMENDED CITY COUNCIL ACTION:

If Council chooses, hold Executive Sessions for the purposes set forth above. After the Executive Sessions, Council may give direction to staff regarding future Council actions.

SUMMARY:

This is an administrative action. Staff has been working on the RTA since 2014 and recently received approval of the project elements and state increment funding amount. The next step of the process is to negotiate cooperative agreements with the State of Colorado structuring development requirements and municipal financial participation.

Water Valley Company LLC has requested a development agreement be negotiated and executed including City financial support for the Eagle Crossing mixed used development at Crossroads and I-25. Staff is seeking direction in regard to City participation in the project.

BUDGET IMPACT:

- Positive
- Negative
- Neutral or negligible

BACKGROUND:

The Go NoCO proposal was approved in December of 2015, by the Economic Development Commission (EDC), approving all four project elements as well as the full funding request of \$86.1 million over 30 years as part of the State of Colorado Regional Tourism Act (RTA). The next phase of the RTA process is the drafting and execution of a cooperative agreement between the State of Colorado and the Go NoCO projects. City of Loveland financial participation is expected by the State for the two Loveland projects, The Whitewater Adventure Park and the Waterpark Hotel of the Rockies. This is the first opportunity since formal approval by the EDC to discuss funding options with City Council.

In the spring of 2015, Water Valley Land Company, LLC approached City of Loveland staff about a proposed development of 90 acres at I-25 and Crossroads called Eagle Crossing. At the time, the development was approximately 525,000 square feet of mixed use retail. Since that time, the development has grown in size to between 1,600,000-1,860,000 square feet of retail and other uses. . Water Valley Land Company is requesting that City Council support the project financially, and staff needs direction.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. EDC Resolution
2. Go NoCO Executive Summary
3. RTA Financial Summary

**REGIONAL TOURISM ACT TERMS AND CONDITIONS AND FINANCING
RECOMMENDATION LETTER FROM THE OFFICE OF ECONOMIC DEVELOPMENT AND
INTERNATIONAL TRADE (“OEDIT”)
BY EXECUTIVE DIRECTOR, FIONA ARNOLD, TO THE ECONOMIC DEVELOPMENT
COMMISSION (“Commission” or “EDC”)**

December 4, 2015

This letter is a follow-up to my November 9, 2015, letter recommending that the EDC approve the Go NoCO Regional Tourism Act (“RTA”) application subject to certain conditions. As required by C.R.S. § 24-46-305, I am completing my responsibility to recommend “that the Commission approve or deny the application, or approve the application with conditions.” This letter contains additional conditions that I am strongly recommending the EDC apply to the Go NoCO approval to include in the final written resolution and protect the State’s interests.

APPLICANT: City of Loveland, Town of Windsor, Town of Estes Park, and Larimer County (collectively operating and referred to as “Go NoCO” or “Applicant”).

PROJECT NAME: Go NoCO (“Project”).

PROJECT DESCRIPTION: The Go NoCO Project has four distinct elements intended to create a tourism destination in northern Colorado, as summarized in the table below.

Element Name	Description	Size	Cost	Target Opening
Stanley Film Center	Located on the grounds of the Stanley Hotel in the Town of Estes Park, this non-profit dedicated to celebrating the horror film genre will include, as described in the application, a “world class” 500-seat film auditorium, 45-seat VIP theater, 300-seat and 50-seat outdoor amphitheaters, horror film museum and discovery center that will exhibit “crown-jewel” genre artifacts, a film archive (notably the “world’s largest horror film archive”), a green screen and Foley sound stage interactive experience, classroom and seminar space, film production spaces including editing facilities and a sound stage, and retail concessions.	43,350 SF building 9,700 outdoor SF	\$24.5M	2018
PeliGrande Resort & Windsor Conference Center	Set at an expansive lakefront development in the Town of Windsor, this would be northern Colorado’s only 4-star resort (300 rooms) and conference center (58,500 SF of ballroom/meeting space). It will be adjacent to Pelican Lakes Golf course in Water Valley and near the planned Raindance National Golf course. The PGA Champions tour has pledged to bring an event to Raindance immediately following completion of the golf course if the PeliGrande is built, and a second-in-the-nation destination Boat House Restaurant (similar to the one in Orlando) will be a part of the resort.	309,514 SF building	\$109.9M	2018
Indoor Waterpark Resort of the Rockies**	Located in the City of Loveland, as described in the application, this will be an immersive “first of its kind,” “new generation,” family-friendly indoor and outdoor waterpark (75,000 SF indoor/55,000 SF outdoor) and hotel (300 themed guestrooms), along with a family entertainment center and meeting space.	449,495 SF building	\$138.3M	2018

U.S. Whitewater Adventure Park**	Located in the City of Loveland and adjacent to the proposed indoor waterpark hotel. This would be one of only four whitewater parks of its kind in the U.S. and would include the following features: a design to Olympic standards, 2,200 linear feet pumped water whitewater channel with class 1-6 rapids, adventure tubing, lazy river, plus dry sports amenities such as rock climbing, ropes courses, canyoneering, zip lines, retail concessions, and group event space.	20 Acre whitewater system ~34,000 SF of buildings	\$60.9M	2018
TOTAL PROJECT COSTS ACROSS ALL ELEMENTS				\$333,763,000

**From a water conservation perspective, the Applicant has stated that the developers are designing the Whitewater Park and Waterpark Resort utilizing the most recent advancements in water conservation technology. They're also using low flow valves and shower heads. Based on prior Water Park Resort and Adventure Park experience in the eastern United States, it is estimated that 95 percent of the water provided to these two elements will be reused.

I. STATUTORILY REQUIRED TERMS AND CONDITIONS

- A. Appendix 1 at the end of this letter provides a list of terms and conditions that the statute proscribes be determined by the EDC (C.R.S. §§ 24-46-303(3) and 24-46-305(3)(a) to (d)). Where relevant, the Applicant's request and the Third Party Analyst's ("TPA") recommendations are both listed. The final TPA report is provided as Attachment 1 to this letter.
- B. The TPA and the Applicant have both provided detailed information supporting their respective opinions, in writing and through a thorough public process, as to the total state sales tax incremental revenue that would be generated from the project. The EDC, having approved the project, now has the discretion to determine the appropriate percentage of sales tax revenue and the total cumulative dollar cap of incremental revenue that will be diverted to this Project.
- C. Pursuant to C.R.S. § 24-46-305, "the commission shall not approve any project that, if approved, would likely create a state sales tax revenue dedication of more than fifty million dollars to all regional tourism projects in any given year." OEDIT staff has reviewed the projected cash flows of all approved RTA projects including Denver and Go NoCO, and even if the Denver and Go NoCO projects both receive their full requested amounts, it is unlikely that all regional tourism projects would collectively receive more than fifty million dollars in state sales tax revenues in any given year.

II. RECOMMENDED TERMS, CONDITIONS AND GUARDRAILS

A. STANLEY FILM CENTER

As I described in my previous recommendation to approve letter, the Stanley Film Center ("SFC") is a start-up non-profit that will require the development of continuous, ongoing, changing and very high quality content and programming that is not inherent in the physical attributes of the facility in order to draw in net new out of state visitors. Furthermore, because the center does not yet have an endowment, operating funds or own any film archives or "crown jewel artifacts" which are critical to its success, it is important that the EDC develop substantial guardrails and conditions for this element. This will help to ensure the assumed net new tourism benefits to the state are achieved over the anticipated 30-year period.

The SFC will submit an annual affirmation to the Commission no later than March 31 of each year that the SFC is being operated in the manner set forth in the approved application, such as:

- Operating a horror genre museum with rotating and permanent exhibits of "crown jewel artifacts" and interactive film-related experiences;
- Hosting classes, seminars, and workshops related to film and the horror genre;

- Maintaining the “world’s largest archive of horror films;” and
- Hosting regular film screenings, festivals, and special events related to the horror genre.

At the request of OEDIT or the EDC, the SFC shall provide additional information supporting the affirmation.

Before RTA funds or bond proceeds supported by RTA funds (“RTA Funds”) can be used to reimburse Eligible Costs (defined below) for the SFC, apart from debt service and financing costs or minor administrative expenses incurred by the Financing Entity, the following requirements must be met:

- The non-profit entity that will operate the SFC will be created and the Board of Directors established with at least 9, but no more than 12, voting members.
 - All but one member must be independent from the Stanley Hotel and Grand Heritage Hotel Group and their employees, owners and family members.
 - They shall be experienced film school or film industry professionals.
 - One voting board member shall be appointed by the OEDIT Film Commissioner and one voting Board member shall be appointed by the OEDIT Executive Director.
- Prior to their finalization, the EDC must review and approve the governing documents of the SFC 501c(3) to ensure they comply with the EDC resolution, the RTA statute, and the information provided by the SFC in the RTA application.
- The SFC must own the building where the film center will operate. The Stanley Hotel or the entity that owns the Stanley Hotel (referred to as “the Stanley Hotel”) and the SFC must execute a 99 year assignable ground lease to provide the SFC rights to the land where the film center building is situated for \$1.00 per year.
 - This lease may also include access to the outdoor facilities (500-seat outdoor amphitheater and 75-seat outdoor amphitheater) which were included in the SFC application proposal and are part of the SFC operations.
 - Furthermore, the EDC will have final approval in assigning the lease if the SFC no longer operates the building.
 - The lease cannot restrict the method or hours of operation of the SFC or patrons’ access to parking.
 - Prior to execution, this lease is subject to review and approval by the EDC and the final executed lease must be provided to the EDC.
- If the ground lease does not include the two outdoor amphitheaters included in the SFC application proposal, the Stanley Hotel must sign a minimum 30-year lease or similar agreement with the SFC, giving the SFC first priority to use these facilities for \$1.00 per year with the right to admissions revenue for SFC events held in these facilities. Prior to execution, this lease is subject to review and approval by the EDC and the final executed lease must be provided to the EDC.
- Based on commitments made by the Applicant during the application process, the Stanley Hotel must sign a long-term lease (at least 10 years) with the SFC that includes the following:
 - Debt service: The Stanley Hotel will be responsible for servicing private debt incurred to finance the up-front costs of the SFC, thus leaving the SFC with no debt obligation.
 - Utilities: The Stanley Hotel shall negotiate a payment to the SFC which shall be at least \$249,000 per year with a growth factor built in to cover utilities. Note that according to the Applicant’s pro-forma for the SFC, the utilities cost was projected to be \$249,000 per year and the administrative and general expenses will be \$686,000 per year in 2018.
 - In turn, the lease may allow the Stanley Hotel to operate and receive revenue from the restaurant and retail concessions and provide catering to the Stanley Film Center.
 - The lease must also require the Stanley Hotel to provide in-kind maintenance, landscaping and parking for the SFC facilities.

- Prior to execution, this lease is subject to review and approval by the EDC and the final executed lease must be provided to the EDC.
- All non-SFC revenue generating activities held at the SFC building, apart from retail concessions, restaurant, food service and catering, require arms length agreements and fair market value payments to the SFC.
- The Stanley Hotel will maintain the SFC facilities in excellent condition. In addition to providing in-kind ongoing maintenance services to the SFC as described above, the Stanley Hotel will also provide an appropriate contribution each year into a capital maintenance reserve account dedicated to the SFC. This account is intended to fund periodic capital maintenance costs at the SFC. Such amount shall be no less than \$200,000 per year with a growth factor built in and is separate from and additional to the lease payment from the Stanley Hotel to the SFC described above. The Applicant's pro-forma shows capital maintenance reserve costs starting at \$226,000 per year and increasing to more than \$400,000 per year in 2020. This maintenance contribution must be documented in a written agreement. Prior to execution, this agreement is subject to review and approval by the EDC and the final executed agreement must be provided to the EDC.
- The Stanley Hotel must sign an agreement to provide in-kind digital marketing and social media services to the SFC. The final executed document must be provided to the EDC.
- Per commitments made by the Applicant, the Stanley Hotel must relocate existing infrastructure (including but not limited to sewer, water, electricity, roads, and sidewalks) needed to allow the construction of the SFC indoor and outdoor facilities. These expenses are not considered Eligible Improvements (defined below) or Eligible Costs (C.R.S. § 24-46-303(4)) for reimbursement from the RTA funds and must be funded by the Stanley Hotel.
- The independent Board of the SFC must develop a business plan for their archive department to demonstrate how they will create the "largest horror movie archive in the world." At a minimum, this plan needs to determine how many films the archive must obtain in order to be considered the world's largest horror film archive, provide a timeline for how long it will take to acquire these films, and include memorandums of understanding with at least five film organizations, societies, festivals, collectors, studios or similar entities who will provide the SFC access to their collections for making digital archival copies. Examples of targeted organizations include, but are not limited to, the European Federation of Fantastic Film Festivals, the Luxemburg Cinémathèque, the Korean Film Archives, the Latin American Film Market, INCAA (Argentine National Film Board), The Swiss Cinematheque, AGFA (American Genre Film Association), international consultants Annick Mahnert and Tom Davia and others.
- The SFC must sign a contract or purchase order to acquire or establish a long term lease of at least 10 years for digital conversion and server equipment needed to establish an archive. Such equipment shall be professional and archival grade such as Lasergraphics 5K scanner and an Editshare central server along with an Ensemble Media Server for compression and distribution of film or similar caliber equipment. The servers must contain enough storage capacity to hold the world's largest film archive. Prior to execution, this agreement is subject to review and approval by the EDC and the final executed document must be provided to the EDC.
- The Applicant stated that "an endowment fund (to be funded through philanthropic donations) will also be established to help assist with future archival acquisitions as necessary." As part of the film archive business plan, the independent Board of the SFC must determine the size of the endowment needed, including the amount needed to begin operations, and provide this to the EDC along with a fundraising timeline and strategy to obtain the archival endowment. The endowment must be kept in a separate account from other SFC endowments, capital and operational funds. The SFC shall annually provide documentation of this endowment to the EDC via bank statements on March 31 for the preceding calendar year.
- The SFC museum will exhibit "crown jewel artifacts" from the horror film genre including permanent exhibits and some rotating exhibits to stay current with trends in the horror genre and to maximize the entertainment and education value to visitors and participants. The SFC must sign binding agreements

with the owners of materials for at least 5 different rotating exhibits which will be displayed at the SFC during its first two years of operations. Such exhibits may include Charlie Adlard's "Walking Dead" art collection, Clive Barker's (Seraphim Films) "Clive Barker: Dreams and Nightmares," Rich Baker's "Special Effects in the Horror Genre," a SpectreVision exhibit, Alfred Hitchcock's Psycho and suspense, Kaiju Tsunami or other exhibits of a similar, very high caliber quality and strong level of appeal to genre fans. The executed agreements shall be provided to the EDC.

- Additionally, the Applicant has stated that "an endowment (to be funded through philanthropic donations) will be established to provide funding for extraordinary exhibits/events and to help ensure the maintenance of ongoing exhibits." As such, the Applicant must create a strategic exhibit plan. As part of the exhibit plan, the independent Board of the SFC must determine the size of the endowment needed, including the amount needed to begin operations, and provide this to the EDC along with a fundraising timeline and strategy to obtain the exhibit endowment. This endowment must be kept in a separate account from other SFC endowments, capital and operational funds. The SFC shall annually provide documentation of this endowment to the EDC via bank statements on March 31 for the preceding calendar year.
- The SFC shall pledge in a written document to the EDC to maintain at least 8,000 SF of museum exhibit space that is fully programmed on a continual and ongoing basis and open to visitors.
- The Applicant has stated that the SFC will require an estimated annual operating budget of \$7.35M per year, of which 7% will come from "donations and annual fundraising," which equals \$515,000 dollars per year. In addition to the archive and exhibit endowments required herein and operating and maintenance contributions provided by the Stanley Hotel, the SFC must raise at least \$300,000 in philanthropic cash contributions to have on hand for the first year's operating budget. The Applicant shall provide evidence of this to the EDC via bank statements.
- The SFC shall sign a binding agreement with an accredited film school or film department in an accredited school in or out of Colorado (known as "Higher Education Partner" or "HEP") to begin offering master classes, seminars, workshops and other teaching offerings. Such offerings may also include a film school preparatory program, horror literature workshops, film technology education and other related subjects. Such offerings must be contracted to begin within 1 year of the SFC opening. The offerings must include classes which provide transferable credits toward degree programs at institutions of higher education including "Januarmester" and "Maymester" courses. The agreement must divide the responsibilities and revenue streams between the Stanley Film Center and the HEP which is planning the curriculum. This executed agreement shall be provided to the EDC.
- The TPA that reviewed the Go NoCO application noted that the Stanley Film Center is relying heavily on state funding to cover a large share of total element costs (40%). The TPA recommended that a "feasible construction financing [and business] plan" needs to be completed. This plan should consider the potential addition of a philanthropic capital campaign typically associated with non-profit fundraising or other sponsor equity contributions. Such a construction financing and business plan should be created and provided to the EDC. This plan should include and incorporate the archive and exhibit plans listed above.
- The SFC must have closed on financing and funding for at least 90% of its construction and furniture, fixtures, and equipment (FF&E) budget through any combination of RTA funds, a private philanthropica capital campaign and debt payable from the Film Center's operating results (including any required loan guarantees). The executed financing documents must be provided to the EDC.
- The Stanley Hotel must sign an agreement with the SFC to provide housing for students taking classes or working at the SFC. Such housing shall be available within 1 year of the SFC opening.
- The SFC must submit architectural plans and a letter from their architect certifying that they are building the SFC to the required specifications described in the final written resolution and summarized below.
- The Stanley Hotel, Stanley Film Center and other participating parties must sign an agreement which structures how the Stanley Film Festival and the Stanley Horror Film Awards (a.k.a. "The Stanleys") will be owned and operated. The Stanley Hotel must sign a lease or similar agreement with the entity

that runs the Stanley Film Festival to make available Stanley Hotel owned venues and (such as the Concert Hall, MacGregor Ballroom, and Stanley Pavilion auditorium) on its property to maximize visitation and participation in the film festival.

- In addition to the Stanley Film Festival, the SFC shall program a regular and ongoing series of film screenings of horror and related genre films. These shall include film openings, sneak peeks, previews, and rare and exclusive screenings with bonus programming. The SFC shall submit to the EDC a film programming schedule for the first 6 months of its operations.

To the extent the SFC has a funding deficit, I encourage SFC to consider adding a public improvement fee on admissions, food and retail at the center and to hold a capital campaign to help fund operating and/or capital expenses.

B. PELIGRANDE

The PeliGrande shall have finishes, amenities and service provided to a 4-star resort standard and shall be located on the site in the Water Valley development in Windsor as proposed by the Applicant.

Before RTA Funds can be used to reimburse Eligible Costs for the PeliGrande, apart from debt service and financing costs or minor administrative expenses incurred by the Financing Entity, the following requirements must be met:

- The PeliGrande shall have a minimum 9,000 square foot signature destination The Boathouse Restaurant built into the resort open and operating. The Boathouse Restaurant at the PeliGrande will feature the same amenities and caliber of finishes and food, in a smaller footprint, that are included at the Orlando location as listed below [minimum numerical requirements listed in brackets]
 - “spectacular nautically-themed rooms,”
 - “floating artwork: dream boats from the 30’s, 40’s & 50’s, “[5 to 10 boats],”
 - guided tours aboard an Italian Water Taxi, [at least 1 taxi], and
 - guided tours on vintage restored original 1960s Amphicars [2 to 4 cars].
- At the time The Boathouse Restaurant opens at the PeliGrande, there cannot be more than four The Boathouse Restaurants open in the United States (including the one at the PeliGrande) and there cannot be one within a four hundred mile radius of the PeliGrande. If these requirements are not met, the PeliGrande construction costs will not be eligible for reimbursement with RTA funds.
- The Raindance Golf Course as designed by Fred Funk, and with all needed facilities and amenities to host a PGA Champions Tour event, shall have closed on final financing and have all needed funds for construction and operation available. The financing documents shall be provided to the EDC for review and confirmation of closing.
- The PGA must sign a “Definitive Agreement,” as described in the draft “Binding Letter Agreement” submitted as part of the Go NoCO application materials, to host a Champions Tour event at the PeliGrande once a year for at least 10 years. This agreement may allow for the event to be temporarily held at the Pelican Lakes Golf and Country Club while the Raindance club is under construction. Additionally, such agreement must designate the PeliGrande as the official host hotel of the tournament.
- The PeliGrande developer must submit architectural plans and a letter from the architect certifying that they are building the hotel to the required specifications described in the final written resolution and summarized below.
- The developer of the PeliGrande must establish a self-imposed public improvement fee (“PIF”) to help finance the development. Based on the data provided by the Applicant, the PIF shall be at least 2% on all on-site food and beverage and retail sales and 7% on all lodging sales. The executed document establishing this PIF must be submitted to the EDC.

- The Town of Windsor must provide an executed binding written document to the EDC that pledges to the financing of this element all of the municipal sales and property taxes generated on-site by the PeliGrande.

C. WHITEWATER PARK

- The Whitewater Park (“WWP”) must be built to Olympic standards with the facilities capable of hosting national and international elite level competitions.
- The WWP must have at least 2,200 linear feet of pumped whitewater channels with class 1 to 4 rapids.
- The WWP must have other facilities and amenities as described below.
- The WWP Park must support whitewater sports such as rafting, kayaking, stand up paddle boarding and river wave surfing.

Before RTA Funds can be used to reimburse Eligible Costs for the WWP, apart from debt service and financing costs or minor administrative expenses incurred by the Financing Entity, the following requirements must be met:

- The Whitewater Park developer must submit architectural and site plans and a letter from their architect certifying that they are building the park to the required specifications described in the final written resolution and summarized below.
- The developer of the WWP must establish a self-imposed PIF to help finance the development. Based on the data provided by the Applicant, the PIF shall be at least 2% on all on-site food and beverage and retail sales and 7.8% on all admissions and rentals. The executed binding document establishing this PIF must be submitted to the EDC.
- The City of Loveland must provide an executed binding written document to the EDC that pledges to the financing of this element all of the municipal sales taxes generated on-site by the WWP.

D. WATERPARK RESORT

This will be an immersive “first of its kind,” “next generation,” branded, family-friendly indoor/outdoor waterpark with substantial differentiation from existing waterpark resort hotel models in that it targets a broader age range from families with young children to older children.

Before RTA Funds can be used to reimburse Eligible Costs expense for the Waterpark Resort (“WPR”), apart from debt service and financing costs or minor administrative expense incurred by the Financing Entity, the following requirements must be met:

- The WWP with all the amenities and design elements summarized in this document and described in the EDC’s final written resolution shall have closed on final financing and have all needed funds for construction and operation available. This is subject to verification and confirmation by the EDC.
- The WPR shall be located immediately adjacent to the site where the WWP is being constructed and rights of way must be provided which will allow visitors to walk between the two facilities.
- The WPR developer must submit architectural plans and a letter from their architect certifying that they are building the park to the required specifications described in the final written resolution and summarized below.
- The WPR developer must submit a finalized, detailed list of slides, rides and programs that the developers will build at the Waterpark Resort to target older children and which are not included in competing parks that target families with younger children. This list must be reviewed and approved by the EDC and any changes prior to the WPR opening must be approved by the EDC.
- The developer of the WPR must establish a self-imposed public improvement fee (PIF) to help finance the development. Based on the data provided by the Applicant the PIF shall be at least 2% on all on-

site food and beverage and retail sales and 5% on all lodging sales. The executed binding document establishing this PIF must be submitted to the EDC.

- The City of Loveland must provide an executed binding written document to the EDC that pledges to the financing of this element all of the municipal sales and property taxes generated on-site by the WPR.
- The City of Loveland must also enter into a joint destination marketing agreement with the WPR under which at least one-third of City lodging tax revenues generated on-site at the WPR are provided to the WPR for marketing services.

III. ADDITIONAL FINANCIAL AND TAX TERMS AND CONDITIONS

A. Go NoCO shall submit a list of businesses in the Regional Tourism Zone to the Department of Revenue (“DOR”) on or before the date this award becomes effective, and subsequently every month beginning with, and through, the term of the Commission Resolution, including but not limited to:

- (1) The Colorado Business Account Number and site number;
- (2) Company name;
- (3) Trade name or d/b/a;
- (4) Location address;
- (5) Start date;
- (6) Description of whether it is an existing, new, or closed account;
- (7) Description of whether it is a new location in the zone or moved out of the zone; and
- (8) Other information required by DOR.

B. Before any RTA Funds can be used on any Project Element, per the governance structure discussed in the Go NoCO Application, the City of Loveland, Town of Windsor, Town of Estes Park, and Larimer County (collectively operating and referred to as “Go NoCO”) must create a Northern Colorado Regional Tourism Authority (NCRTA) per the requirements in C.R.S. § 24-46-306 and as further defined in the Commission’s forthcoming written resolution.

C. Before any RTA Funds can be used on any Project Element apart from necessary administrative expenses for NCRTA, NCRTA must sign intergovernmental or inter-organizational agreements delineating the relationships and decision-making authority between: NCRTA and the SFC Non-Profit, and the developers of the PeliGrande, WWP and WPR and the Town of Windsor, Town of Estes Park, City of Loveland and Larimer County.

D. The State of Colorado accepts the Applicant’s contention that the four Go NoCO Project Elements (Stanley Film Center, PeliGrande Resort & Windsor Conference Center, Indoor Waterpark Resort of the Rockies, and the U.S. Whitewater Adventure park) have synergies with each other and that the state has a strong interest in incentivizing the completion of all four Project Elements to maximize the overall beneficial economic impact of the Go NoCO program in Colorado. As such, the NCRTA must allocate a minimum proportion of the RTA funds to each of these Project Elements (“Minimum Element Allocation Percents” or “MEAPs”). The amount of the MEAPs and the rules surrounding them shall be further defined in the written resolution and are intended to be similar to the terms of the EDC’s Resolution Number 3 for the Colorado Springs City for Champions Project with changes as needed based on the specifics of this Project.

E. Before any RTA Funds can be used on any Project Element apart from necessary administrative expenses for NCRTA, NCRTA must develop and present to the EDC a detailed timeline of key milestones for development activities and completion dates for all of the Project Elements.

F. Procurement: The Applicant must follow applicable state, federal and local procurement laws. However, in all circumstances contracts for more than \$25,000 must be awarded using RFI/RFQ/RFP processes with bidding information posted on a public website.

G. As a condition precedent to paying or reimbursing any entity for any Eligible Costs, the Financing Entity shall obtain relevant certifications from an independent engineer, CPA, and/or Financial Advisor with similar requirements as included in the Colorado Springs RTA written EDC Resolution (attached as Attachment 3).

H. Pursuant to C.R.S. § 24-46-303(5), the specific authorized Eligible Improvements are listed below: All the following facilities are **REQUIRED COMPONENTS** and **must be included** as part of the finished Project.

1) STANLEY FILM CENTER*

Required Components:

UPPER LEVEL

- Public lobby and concessions: 5,000 gross square feet
- 500 seat Auditorium/Theater: 5,000 gross square feet
- Theater support: 2,000 gross square feet
- Film Museum and Discovery Center: Minimum 8,000 gross SF
- Gift shop: 1,000 gross square feet

UPPER LEVEL TOTAL: **21,000 gross square feet***

LOWER LEVEL

- Restaurant, lounge and private dining: 5,850 gross square feet
- Kitchen and support: 2,300 gross square feet
- Event Center: 4,000 gross square feet
- Video editing studio: 700 gross square feet
- Sound editing studio: 500 gross square feet
- Sound Stage: 3,000 gross square feet
- Event center support: 300 gross square feet
- Film archive & Special Events: 1,600 gross square feet
- Museum storage: 2,300 gross square feet
- Building support: 1,800 gross square feet

LOWER LEVEL TOTAL: **22,350 gross square feet***

TOTAL MINIMUM BUILDING AREA: **43,350 gross square feet***

OUTDOOR

- Outdoor Amphitheatre 1 (500 seat): 8,200 gross square feet
- Outdoor Amphitheatre 2 (75 seat): 1,500 gross square feet

OUTDOOR TOTAL: **9,700 gross square feet***

Additional Required Components:

Auditorium and Theaters

- 500-seat auditorium**
 - AV recording and broadcast capabilities
 - Venue for premieres, film festivals and award ceremonies
- 45-seat VIP Theater/Private Screening Room **

- 500 and 75-seat outdoor amphitheaters**
 - Venues for "Film Under the Stars"

**includes all necessary film screening equipment such as projection, audio, display.

13,000 SF Film Archive and Discovery Center

- World's largest horror film archive and equipment as described earlier in the resolution to make and store digital copies of films
- Rotating interactive displays and exhibits of original props, international posters, memorabilia, and films
- Interactive tours, games and experiences
- Green Screen and Foley Sound Stage Experience – put yourself in a film

Creative Production, Learning and Workshop Spaces

- 3,000 SF sound stage
- 4,000 SF of classroom, event and workshop space
- 1,200 SF film and editing suites

Discovery Center Support

- 150 - seat specialty restaurant
- Lobby and Concessions
- Stanley Film Center Gift Shop

2) PELIGRANDE RESORT & WINDSOR CONFERENCE CENTER*

Required Components:

• Ballroom #1:	15,000 gross square feet
• Ballroom #2:	8,000 gross square feet
• Meeting Rooms:	21,200 gross square feet
• Board Rooms	800 gross square feet
• Function Space:	13,500 gross square feet
• Subtotal Meeting & Function :	58,500 gross square feet
• TOTAL MINIMUM HOTEL SPACE	309,514 gross square feet*

NOTE before the final EDC written resolution, Go NoCO will need to supply a detailed breakdown of all hotel component square footage.

Additional Required Components:

- 300 resort hotel rooms and suites
- 2 full-service restaurants (including The Boathouse Restaurant meeting all requirements specified above). The tenant improvements and fixtures and equipment associated with creating The Boathouse Restaurant are not Eligible Improvements.
- Upscale lounge
- Luxury spa
- Fitness center
- 58,500 SQ of ballroom, meeting & pre-function space
- Business center
- Gift shop
- Retail services

3) INDOOR WATERPARK RESORT OF THE ROCKIES*

Required Components:

Floor Below Garage

- Pool Equipment Room(s): 6,160 gross square feet

Ground Floor

- Linen Storage & Laundry Room: 4,270 gross square feet
- General Storage: 2,440 gross square feet
- Employee Break & Restrooms: 2,130 gross square feet
- Personnel & Administration: 3,360 gross square feet
- Security Office: 660 gross square feet
- Receiving Office & Secretary Office: 300 gross square feet
- Receiving: 1,260 gross square feet
- HVAC: 870 gross square feet
- Maintenance: 1,540 gross square feet
- Restrooms: 2,040 gross square feet
- Kitchen of Confectionary/Snack Bar: 4,510 gross square feet
- Circulation: 8,358 gross square feet
- Fitness Room: 810 gross square feet
- Party Room: 1,940 gross square feet
- Waterpark F&B Support: 860 gross square feet
- Snack Bar: 2,210 gross square feet
- Family Day Play: 18,910 gross square feet
- IWP Restroom & Lockers: 2,590 gross square feet
- Life Guard, Chemical, First Aid: 440 gross square feet
- Indoor Waterpark: 75,000 gross square feet

Total Ground Floor & Below Garage: **140,658 gross square feet***

First Floor

- HVAC Mezzanine: 6,160 gross square feet
- Kitchen for Family Dining: 4,660 gross square feet
- Administration & Call Center: 2,910 gross square feet
- Circulation: 5,231 gross square feet
- Front Desk: 520 gross square feet
- Cart Storage & Valet: 880 gross square feet
- Restrooms: 1,040 gross square feet
- Confectionary: 1,330 gross square feet
- Spa: 3,000 gross square feet
- Lobby, Living Room, Public Space: 13,550 gross square feet
- Restaurant & Support: 7,400 gross square feet
- Restrooms: 1,550 gross square feet
- Coat Room & Pre-function: 3,040 gross square feet
- Conference Storage: 690 gross square feet
- Meeting Rooms: 32,060 gross square feet
- Board Room(s): 2,780 gross square feet

Hotel

• Ground Floor:	36,706 gross square feet
• First Floor:	36,706 gross square feet
• Second Floor:	36,706 gross square feet
• Third Floor:	36,706 gross square feet
• Fourth Floor:	36,706 gross square feet
• Fifth Floor:	36,706 gross square feet
Total First Floor & Hotel	308,837 gross square feet*

Total Minimum Gross Building Area**449,495 gross square feet*****Additional Required Components:**

- 75,000 SF Minimum Indoor Waterpark
- 55,000 SF Minimum Outdoor Waterpark
- 20,000 SF Family Entertainment Center including bowling, indoor miniature golf, laser tag, and video arcade
- 330 hotel rooms
- 3,000 SF Spa
- 250 seat, 7,500 SF restaurant/lounge
- 40,000 SF Meeting Space
- 3,000+ SF Retail space

4) U.S. WHITEWATER ADVENTURE PARK***Required Components:**

- 20-acre artificial whitewater river system
- Zip lines & high ropes course
- Obstacle courses
- A canopy tour
- Climbing wall
- Children's play area
- Team building area
- Restaurant
- Retail shops
- Amphitheater
- Multi-purpose event space
- Outdoor structures

** Since detailed architectural plans have not yet been finalized, a precise square foot calculation for each Element and Component of the Project and the Eligible Improvements within the Project is not available as of this writing. Further investigation of site issues, infrastructure planning, building design, and changes in construction cost are among the many factors that could cause material differences in the gross square footage numbers set forth above. However, the total completed space for each of the four Project Elements and components that include the word "minimum" above may not be less than the minimum gross square feet outlined above.*

IV. SUBSTANTIAL PROGRESS

Pursuant to C.R.S. § 24-46-305(4), the Commission imposes the following conditions:

- A.** Applicant (in conjunction with its partners) must submit a written plan detailing Project milestones and a graduated plan by March 16, 2016, including but not limited to, the following milestones for which evidence of completion to be submitted to the Commission:
 - (1) Letter of intent from the Applicant and its partners stating plan to move forward with the approved Regional Tourism Project.
 - (2) Detailed financing commitments, including but not limited to, philanthropic gifts, equity investors, debt instruments, local tax increment, and local sales tax.
 - (3) Timeline for necessary land acquisition.
 - (4) Engineering/Architectural plans.
 - (5) Construction permits.
 - (6) Construction timeline.
- B.** The Financing Entity must submit Quarterly Reports detailing the progress on the Project and the Applicant, the Financing Entity, and partners, as needed, must be available to participate in Quarterly Meetings with OEDIT to discuss progress on the Project to begin in the 1st quarter after the Commission's effective date of approval.
- C.** Twice a year, the Applicant, the Financing Entity, and relevant Project Element partners must participate in meetings with the Commission to discuss progress on the Project to begin in 1st half year after the Commission's effective date of approval.

V. ADDITIONAL TERMS AND CONDITIONS

Shall be included similar to what were included in previous RTA Board Resolutions with additions and changes as needed to accommodate the unique circumstances of this Project.

VI. SUBSTANTIAL WORK

Pursuant to C.R.S. § 24-46-309, the Commission imposes the following conditions:

- A.** Applicant must commence substantial work on each individual approved element of the Project pursuant to C.R.S. § 24-46-309(1)-(3) within five years of the date of the approval of the Project by the Commission or the Commission may revoke or modify its approval of that element and reduce the amount of the RTA award by the MEAP associated with that element.

VII. FINAL COMPLETION DATE

- A.** Each approved element must be fully completed and placed in service within 10 years of the Commission's Approval of the RTA Project. If this does not occur the element is subject to revocation or modification which may reduce the amount of the RTA award by the MEAP associated with that element.

VIII. AUDIT AND ACCOUNTABILITY

- A.** Pursuant to C.R.S § 24-46-308(1), the Financing Entity shall submit annual reports detailing:
 - (1) the total amount of state sales tax increment revenue that the Regional Tourism Project has collected;
 - (2) how it has been spent;
 - (3) projected revenue for the remainder of the dedication period;
 - (4) a summary of the status of construction of the Eligible Improvements; and
 - (5) other information requested by the EDC or OEDIT.
- B.** Pursuant to C.R.S. § 24-46-305(4), annual reports shall include an economic analysis that assesses the actual overall effectiveness of the Regional Tourism Project to date including:
 - (1) the number of net new jobs directly created by the Project in each category as defined by the Colorado Department of Labor and Employment and the wages and health benefits for jobs in each category;
 - (2) the market impact;
 - (3) regional and in-state competition;
 - (4) attraction of out-of-state tourists;
 - (5) the fiscal impact to local governments within and adjacent to the Regional Tourism Zone;
 - (6) the return to the state on its investment;
 - (7) information on all tax expenditures for regional tourism economic development during the prior fiscal year; and
 - (8) in the event that the Applicant, Financing Entity or other local entities use property tax revenue to finance any element of the Project, Applicant must present an analysis of the impact to local school districts and the percentage of the total program that the state is required to fund.
- C.** Pursuant to C.R.S. § 24-46-308(2), annual independent audits of Applicant's financial status and confirmation that sales tax increment revenue is being used only for Eligible Costs shall be submitted by the Financing Entity.
- D.** Pursuant to C.R.S § 24-46-308(3), if the audit finds that state sales tax increment revenue has been used for unauthorized purposes, the financing entity shall be liable for the repayment of this revenue. There are various ways the repayment may be made.
- E.** Additional terms and conditions should be included similar to what were included in previous RTA Board Resolutions with changes as needed to accommodate the unique circumstances of this Project.

APPENDIX 1: STATUTORILY REQUIRED TERMS AND CONDITIONS.

Term	Location in Statute	Applicant Request (TPA Analysis)
“The local government that has been approved to undertake a regional tourism project”	C.R.S. § 24-46-305(3)(a)	City of Loveland, Town of Windsor, Town of Estes Park, and Larimer County
“The area of the regional tourism zone”	C.R.S. § 24-46-305(3)(b)	See Applicant’s Regional Tourism Zone map in Attachment 2
“Whether the Commission has authorized the creation of a regional tourism authority”	C.R.S. § 24-46-305(3)(c)	The Applicant has requested permission to create the Northern Colorado Regional Tourism Authority to serve as the Financing Entity for the Project
“The total cumulative dollar amount....of the state sales tax incremental revenue that will be dedicated to the regional tourism project” [i.e. the “cap”]	C.R.S. § 24-46-305(3)(d)	Applicant: \$86,119,375 (TPA: \$61,644,489)
“The total cumulative dollar amount and percentage of state sales tax increment revenue that can be dedicated to the...project shall not exceed the third party analysts calculation...by more than 50%; Except that the commission ..[may exceed] third-party’s calculations by more than fifty percent by a unanimous vote of all members of the commission”	C.R.S. § 24-46-305(3)(d)	\$92,466,733
“The....percentage of the state sales tax incremental revenue that will be dedicated to the regional tourism project”	C.R.S. § 24-46-305(3)(d)	Applicant: 20.48% (TPA: 15.79%)
“Financing entity [Financing Entity] means the entity designated by the commission in connection with its approval of a regional tourism project to receive and utilize state sales tax increment revenue.”	C.R.S. § 24-46-303(6)	The Applicant requested that the Northern Colorado Regional Tourism Authority (NCRTA) shall serve as the Financing Entity.
“Financing Term’ ...the aggregate period authorized by the commission...within which the financing entity is authorized to receive and utilize state sales tax increment revenue...”	C.R.S. § 24-46-303(7)	In line with the Applicant’s request, payments shall occur for 30 years from the effective date of the Commission award ending in 2045.

Stanley Film Center contribution to dollar cap		Applicant: \$46,399,582 (TPA: \$28,504,409)
PeliGrande contribution to dollar cap		Applicant: \$12,991,003 (TPA: \$12,598,260)
Whitewater Park contribution to dollar cap		Applicant: \$4,706,140 (TPA: \$3,959,364)
Waterpark Resort contribution to dollar cap		Applicant: \$22,022,650 (TPA: \$16,582,457)
Stanley Film Center contribution to percent		Applicant: 15.19% (TPA: 9.60%)
PeliGrande contribution to percent		Applicant: 4.41% (TPA: 4.29%)
Whitewater Park contribution to percent		Applicant: 1.66% (TPA: 1.48%)
Waterpark Resort contribution to percent		Applicant: 7.41% (TPA: 5.67%)

ATTACHMENT 1: FINAL THIRD PARTY ANALYST REPORT

ATTACHMENT 2: REGIONAL TOURISM ZONE AREA MAP PROPOSED BY THE APPLICANT

ATTACHMENT 3: COLORADO SPRINGS FINAL WRITTEN RESOLUTION



PASSPORT TO DISCOVERY AND COLORADO-INSPIRED ADVENTURES

**GO NOCO EXECUTIVE SUMMARY
SEPTEMBER 17, 2015**



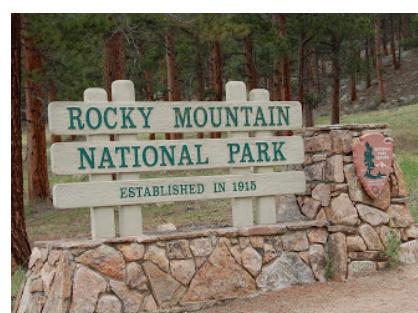
Go NoCO Executive Summary

The RTA was designed to support unique and extraordinary attractions that draw out-of-state visitors and generate net new out-of-state overnight stays. One individual attraction can add tourism value to Colorado; however, creating a true tourism destination spanning three different cities with diverse attractions and experiences is unique and extraordinary in itself. The four attractions within Go NoCO's application were carefully selected and designed to create a synergistic tourism destination for visitors, giving them more to do, more to experience and an opportunity to extend their Colorado vacations and benefit our state. In short, providing a passport to discovery and Colorado-inspired adventures. Each of Go NoCO's attractions shines on its own with unique and extraordinary features; but together, they will truly be the tourism crown jewels of northern Colorado, attracting almost 423,000 net new out-of-state visitors to Colorado annually.



The City of Loveland, Town of Windsor, Town of Estes Park and Larimer County, Colorado see the value in regionalism and have joined together to create and support an RTA application to the Colorado Economic Development Commission. Each applicant brings tremendous potential to the state of Colorado, but together through the RTA, these partners will create a network and critical mass of extraordinary and unique projects that make northern Colorado a global visitor destination. These entities have created a private 501(c)(3) nonprofit, Go NoCO, to lead the application process.

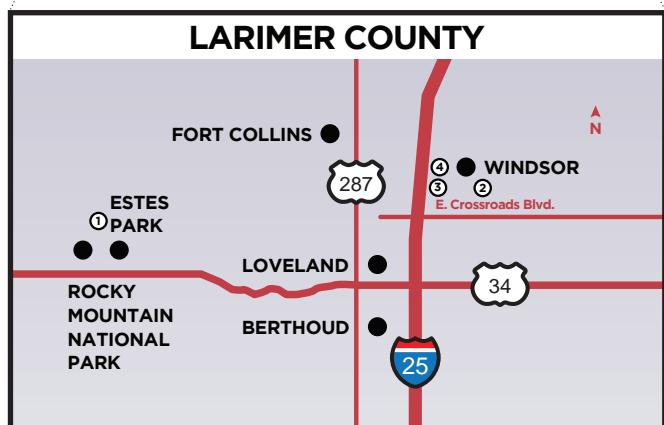
The state has shown its commitment to tourism growth in central and southern Colorado by supporting RTA projects in those regions. With the last RTA round, the state has the opportunity to expand its support and investment in tourism throughout Colorado by investing in Go NoCO's unique and extraordinary northern Colorado projects.



Northern Colorado – An Emerging Tourism Hub

Northern Colorado is extraordinary. Not only is it a great place to live and work, but it is also a highly sought after place to play with a destination tourism economy that is quickly growing and evolving to appeal to multi-generational visitors. Loveland's 2014 year-end hotel occupancy rate alone was the highest in Colorado at 79.1%.

NORTHERN FRONT RANGE

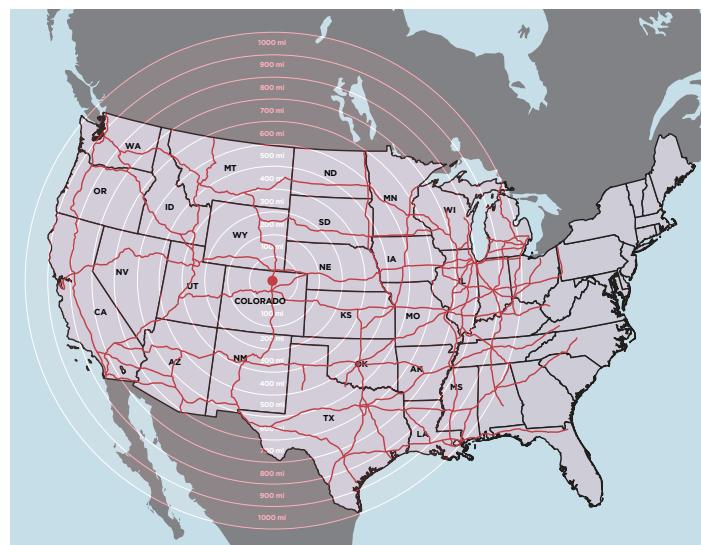


- ① Stanley Film Center
- ② The PeliGrande Resort Windsor Conference Center
- ③ The Indoor Waterpark Resort of the Rockies
- ④ The U.S. Whitewater Adventure Park

Prime Location

The Loveland/Windsor/Estes Park triangle in northern Colorado has incredible access advantages.

- 22.9 million cars travel through northern Colorado along I-25 each year including families from Wisconsin, Chicago, Michigan, Canada, Idaho, Kansas and more.
- Northern Colorado (specifically the intersection of I-25 and Crossroads Boulevard) is the center of the shortest trade and travel route between Canada and Mexico. There are 16,194,000 people – and potential visitors – within a 500-mile radius of this area.
- It is 55 miles from Denver International Airport and within five minutes from the Loveland-Fort Collins Regional Airport.
- Loveland and Estes Park are gateways to Rocky Mountain National Park, which sees approximately three million visitors each year.
- The Stanley Hotel in Estes Park receives up to 400,000 visitors per year and has hosted 60,000 paid tours for the general public in 2015 with an expected 80,000 paid tours in 2016.



Northern Colorado is in the center of everything

The Path to Go NoCO

Go NoCO's attractions are designed to boost Colorado's tourism prominence. National and international media will put the spotlight on Colorado with the Stanley Film Center and the PGA Senior's Tour in Windsor. The U.S. Whitewater Adventure Park is seeking Olympic training status, which will bring media and tourism exposure to northern Colorado, AND showcase that all regions of Colorado are attractive destinations for elite athletes. In addition, visitors to the U.S. Whitewater Adventure Park can learn to raft and kayak in a contained whitewater structure and gain the skills and confidence to hit Colorado's rivers afterward.

The Indoor Waterpark Resort of the Rockies and the U.S. Whitewater Adventure Park will be highly visible and easily accessible from I-25, Colorado's major transportation corridor. Plus, the area is already home to the No. 2 Embassy Suites in the world, one of Colorado's largest sports and event centers, the Budweiser Events Center and northern Colorado's major shopping district in Centerra. The Stanley Film Center will be located at the historic Stanley Hotel in Estes Park, already a sought-after tourism destination for the state. It will draw on the millions of film fans around the world looking for a place to celebrate the horror film genre.

The Go NoCO team has also worked hard to make sure that its attractions will be built within the best interests of each governmental entity, its developers, its citizens and that state. All Go NoCO attractions are led successful, reputable owner/operators.

- Stanley Film Center:** This project will be owned and developed by the Grand Heritage Hotel Group. From one-of-a-kind historic properties to world-class destination resorts, Grand Heritage specializes in individually distinctive, significant hotels that are -or can become- thriving, high-profile destinations in their communities. Grand Heritage was founded in 1989 by John W. Cullen to focus on historic properties that suffered from lack of branding and boutique management expertise. Since then, GH has built a proven track record of successful turnarounds for historical and one-of-a-kind properties and resorts. Grand Heritage Hotel Group owns and operates over a dozen independent hotels and resorts across North America and Mexico and is currently developing numerous international properties – in the United Kingdom, France, Germany, Italy, the U.S., the Caribbean, Mexico and Bermuda – under its Grand Heritage Residence Club brand.

- PeliGrande Resort & Windsor Conference Center:** This project will be owned and operated by Senate Hospitality. The Senate team has led the design, construction, public incentive negotiations, hiring of staff, and development of more than

80 hotels over 30 years including The Westin Memphis Beale Street, Crown Plaza Louisville, The Gaylord Texan Resort & Convention Center and the Gaylord Palms Resort & Convention Center. This depth of experience qualifies Senate as a formidable development company of resorts, convention centers, and upscale full-service hotels with significant meeting space.

- Indoor Waterpark Resort of the Rockies:** This project will be owned and operated by the Resort Development Group. Craig Stark and Robert Stoehr formed The Resort Development Group, LLC with the express purpose of creating a world-class brand in the Indoor Waterpark Resort space. Craig and Robert were co-founders of The Great Lakes Companies, Inc. —precursor company to the Great Wolf Resorts Brand and the most prolific brand of Indoor Waterpark Resorts in the United States. After taking that company public in 2004, the founders went on to various related businesses. Now, Craig and Robert have brought the team back together, taking all of their collective experience to focus on creating new resorts that are even better than the original Great Wolf Resorts. The Resort Development Group has more collective experience than anyone in the business and could not be more thrilled at the prospect of beginning this venture with the creation of a world-class destination resort in Loveland, Colorado.

- U.S. Whitewater Adventure Park:** S2ops will own and operate the U.S. Whitewater Adventure Park. S2ops was created to bring adventure whitewater parks to communities throughout the world. President and Engineer Scott Shipley is among the best-known American kayakers in the world today. A veteran of three Olympic games ('92, '96, '00) and holder of four world titles, Shipley has more than 25 years experience as a whitewater competitor. Scott also holds a bachelor's and master's degree in Mechanical Engineering from top-ranked Georgia Institute of Technology. Shipley's combined expertise in both Whitewater and Engineering Design has made him the go-to designer for some of the world's most demanding whitewater design projects. Shipley has been credited with driving innovation in the whitewater park industry by pushing the design envelope. Shipley's innovations include a patented Whitewater Terrain Park system that redefines whitewater recreation and a patented moveable obstacle system that is the world's first three-dimensional modular obstacle allowing for complete reconfiguration of an existing whitewater park.

The Passport to Discovery and Colorado-Inspired Adventures

Today's travelers expect more from their vacation. They're looking for an opportunity to learn, play, to be challenged and to build stronger bonds with friends and loved ones. One could call it the "transformative vacation". To do so, there is increasing demand for access to destinations with abundant activities where guests can access diverse and dynamic experiences and activities. With Go NoCO, national and international visitors have easy access to discovery and Colorado-inspired adventures

throughout northern Colorado – all within easy access to DIA and major travel corridors. They can learn how to kayak and white water raft in a controlled environment. They can immerse themselves in the horror film genre and celebrate the great films in history. They can golf on a PGA-inspired course and they let go of the everyday and reconnect as a family in a customized indoor waterpark hotel. Go NoCO provides the passport to discovery and Colorado-inspired adventures through the following projects.

Stanley Film Center	6
PeliGrande Resort & Windsor Conference Center	8
Indoor Waterpark Resort of the Rockies	10
U.S. Whitewater Adventure Park	12

Stanley Film Center

Set at the footstep of Rocky Mountain National Park, on the grounds of one of America's most notorious and iconic hotels, the Stanley Film Center will be the permanent home of the horror film genre. The Stanley Film Center will be the first facility of its kind dedicated to the appreciation of horror films.

The Stanley Hotel already holds a unique place in the movie genre as the inspiration for Stephen King's novel, *The Shining*. Stanley Kubrick's adaptation of the novel is one of the most iconic horror films in the history of cinema. As the genre had expanded so has the Stanley Hotel's reputation as a destination for genre fans and creative artists who pilgrimage to the hotel each year to experience the hotel's unique history. The hotel attracts over 400,000 visitors each year, many of them eager to experience the paranormal or to pay homage to the film. The hotel also hosts the Stanley Film Festival, regarded as the "Sundance of Horror" which draws Hollywood filmmakers, actors, producers, and horror film lovers from around the globe.

The Stanley Film Center will be a celebration of this unique film and horror legacy. The facility will include a world-class 500-seat auditorium –able to accommodate film premieres, festivals and awards ceremonies- a 13,000 sq. ft. film discovery center and archive that will exhibit crown-jewel artifacts and rare films from around the world, interactive games and experiences for the whole family, film production spaces including a sound stage and editing suites, classrooms and workshop spaces and several outdoor theater spaces for "films under the stars".

Even before construction, the film industry has provided enthusiastic support for the project with exhibit commitments from genre leaders such as Charlie Adlard, artist of the mega-popular *THE WALKING DEAD* graphic novel (which inspired the TV series) who has offered to share a comprehensive collection of original *THE WALKING DEAD* artwork, never before assembled in one place. Horror legend Clive Barker and his company Seraphim Films have also offered full support of the SFC, and have offered to curate an exhibit of Clive's original paintings.

The European Federation of Fantastic Film Festivals-- the largest federation of its kind, including 22 member festivals with a total attendance of 450,000 each year, have pledged their support and desire to cross-promote internationally to the genre community.

Adding to the global footprint of the film center is the international cast of founding board members, which include legendary actors and filmmakers Elijah Wood, Simon Pegg, Mick Garris and George Romero. These Hollywood icons will be joined on the board by local film partners including Frederic Lahey, Director of the Colorado Film School and filmmaker Alexandre Philippe, Creative Director of Exhibit A, Pictures. Together the founding board along with Grand Heritage Hotel Group will provide an array of unique programming and events that draw thousands of industry leaders, aspiring artists and film enthusiasts, both young and old, from around the world to educate, create and celebrate the world's most popular film genre in Estes Park, Colorado.



IT OFFERS THE FOLLOWING PROGRAM ELEMENTS

Auditorium and Theaters

- » 500-seat auditorium
 - AV recording and broadcast capabilities
 - Venue for premiers, film festivals and award ceremonies
- » 45-seat VIP Theater/Private Screening Room
- » 300 and 50-seat outdoor amphitheaters
- Venues for "Film Under the Stars"

13,000 sq. ft. Film Archive and Discovery Center

- » World's largest horror film archive
- » Rotating interactive displays and exhibits of original props, international posters, memorabilia, and films
- » Interactive tours, games and experiences
- » Green Screen and Foley Sound Stage Experience – put yourself in a film

Creative Production, Learning and Workshop Spaces

- » 3,000 sq. ft. sound stage
- » 4,000 sq. ft. of classroom, event and workshop space
- » 1,200 sq. ft. film and editing suites

Discovery Center Support

- » 150 seat specialty restaurant
- » Lobby and Concessions
- » Stanley Film Center Gift Shop

RTA REQUIREMENTS

Extraordinary and Unique in nature

- » The first facility of its kind dedicated to the appreciation of horror films
- » Home of the world's largest horror film archive
- » Home to Colorado's only horror film memorabilia museum
- » Auditorium is outfitted for film premieres and special screenings, bringing filmmakers, actors, producers and horror film lovers from around the globe.

Result in substantial increase in out of state tourism

- » Responsible for bringing in 221,378 total out-of-state visitor days.

Generate a significant portion of their sales tax revenue from non-Colorado residents

- » \$58,160,049 total sales tax revenue from non-Colorado residents over 30 years

But for the RTA assistance the project will not reasonably happen in the foreseeable future

- » \$11,338,000 funding gap

\$11,338,000
funding gap



PeliGrande Resort & Windsor Conference Center

As northern Colorado's only 4-Star golf resort and conference center, the PeliGrande Resort and Windsor Conference Center celebrates the spirit of the state of Colorado. The PeliGrande offers visitors a high-end retreat oasis with scenic mountain views, luxurious finishes and easy access to outdoor amenities. It is adjacent to the Pelican Lakes Golf Resort in Water Valley, northern Colorado's premier resort-style lakefront golf course development with 27 holes of golf, and an additional 18 holes coming online when the Raindance National Golf Course is developed.

PeliGrande
Resort
&
Windsor Conference Center



SENATE
HOSPITALITY

The PeliGrande Resort & Windsor Conference Center offers upscale dining, state-of-the-art meeting and conference facilities, an island Wedding Chapel with a Rocky Mountain backdrop, a luxurious spa with stress management/yoga/fitness center/and other healing and energizing services all onsite. For that Colorado-inspired experience, guests can enjoy a luxurious bungalow casita capturing the charm that made northern Colorado a destination of travelers from around the country. There will be an intentional focus on exposing guests to existing amenities in northern Colorado such as its foundries, museums and the public arts that will attract guests from other regions of the country to come and experience the unique offerings that are in northern Colorado. In addition, the PeliGrande will create partnerships with other activities in the region so that guests can enjoy golf, horseback riding, hiking, biking, world-class fishing, trap/skeet and other activities currently available in this region of Colorado



IT OFFERS THE FOLLOWING PROGRAM ELEMENTS

300 resort hotel rooms and suites

2 full-service restaurants

Upscale lounge

Luxury spa

Fitness center

58,500 SF of ballroom, meeting & prefunction space

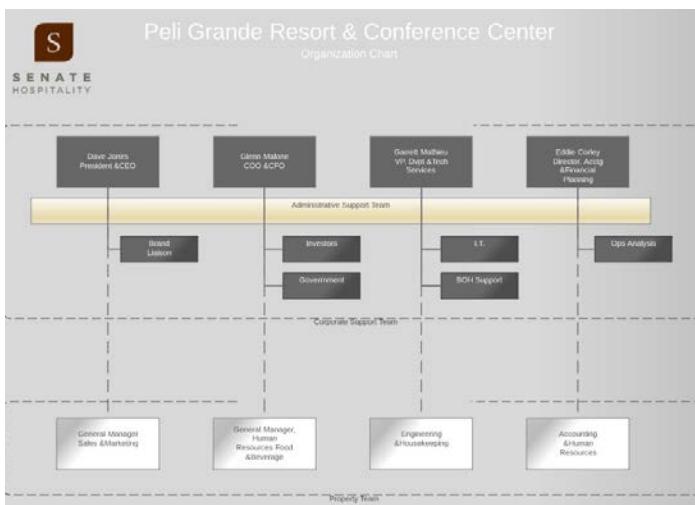
Business center

Gift shop

Retail services

\$26,990,000

funding gap

**RTA REQUIREMENTS**

Extraordinary and Unique in nature

- » The only 4-Star Resort in northern Colorado
- » It is the only resort in Colorado to have secured a promise from the PGA to bring a Champions Tour event to the soon-to-be-built Raindance National Golf course.
- » The PeliGrande Resort is designed to be a leisure resort with conference center amenities that attract national group meetings with a focus on mixing business/leisure travel within the resort as well as exploring northern Colorado's many attractions.
- » An intimate 300-room resort where guests can experience rustic elegance in a grand Colorado ranch setting and with the ability to enjoy regional activities including golf, horseback riding, hiking, world-class fishing and more through partnerships.

Result in substantial increase in out of state tourism

- » Responsible for bringing in 99,032 total out-of-state visitor days.

Generate a significant portion of their sales tax revenue from non-Colorado residents

- » \$27,919,492 sales tax revenue from non-Colorado residents over 30 years

But for the RTA assistance the project will not reasonably happen in the foreseeable future

- » \$26,990,000 funding gap



Indoor Waterpark Resort of the Rockies

The Indoor Waterpark Resort of the Rockies is a next-generation, immersive, family-friendly waterpark experience. It is adjacent to the U.S. Whitewater Adventure Park. This resort has been designed and will be built by the creators of the Great Wolf Lodge brand - Bob Stoehr, Craig Stark and Bruce Neviaser - who are credited with inventing and creating the indoor waterpark resort industry.

This resort is designed to offer waterpark fun for ALL age levels. It is an immersive experience where families can step inside and enter a different world filled with fun, activities and offering a place to create lifelong memories. The resort is year-round, offering visitors an indoor waterpark adventure no matter the time of year. This extraordinary, one-of-a-kind attraction features an indoor waterpark, 300 themed family hotel room and suites, an outdoor waterpark and more than 20,000 square feet of other indoor attractions in its Family Entertainment Center, including indoor miniature golf, indoor laser tag, spa, restaurant and lounge, retail space and more.



IT OFFERS THE FOLLOWING PROGRAM ELEMENTS

300 Themed guestrooms (mix of rooms and suites)
75,000 SF of Indoor Waterpark
55,000 SF of Outdoor Waterpark
20,000+ SF of Family Entertainment Center (FEC)
3,000 SF Spa
40,000 SF of Meeting Space and Party Rooms
7,500 SF of Restaurant
3,000+ SF of Retail Space
Food and Beverage Concessions

\$30,340,000 funding gap

RTA REQUIREMENTS

Extraordinary and Unique in nature

- » It is the only purpose-built, ground-up designed destination attraction that centers around the indoor waterpark and other amenities to create a truly family friendly entertainment experience, surrounded by many synergistic venues. Designed and built by the creators of the Great Wolf Lodge brand and will be the only next-generation, immersive, family-focused indoor waterpark hotel.
- » Provides year-round indoor water fun for Colorado visitors
- » Connected to the U.S. Whitewater Adventure Park, creating synergy between the campuses for visitors.

Result in substantial increase in out of state tourism

- » Responsible for bringing in 170,128 total out-of-state visitor days.

Generate a significant portion of their sales tax revenue from non-Colorado residents

- » \$24,779,559 sales tax revenue from non-Colorado residents over 30 years

But for the RTA assistance the project will not reasonably happen in the foreseeable future

- » \$30,340,000 funding gap



U.S Whitewater Adventure Park

As one of four whitewater parks in the U.S. and designed to Olympic standards, the U.S Whitewater Adventure Park will bring the complete Rocky Mountain whitewater experience to Loveland and the Front Range with numerous outdoor challenges, world-class whitewater, climbing and other adventure experiences that promote healthy, active, Colorado-inspired lifestyles. Located – and highly visible – along Interstate 25 adjacent to the Indoor Waterpark Resort of the Rockies, will center around a 20-acre artificial whitewater river system that offers varying levels of difficulty, and other wet and dry recreational attractions including zip lines, high ropes course, obstacle courses, a canopy tour, climbing wall, canyoneering, children's play area and

team building area. The Whitewater Adventure Park will also contain a restaurant, retail shops, an amphitheater, multi-purpose event space, and a variety of outdoor structures, including bungalows and outdoor patios.

The venue extends the length of Colorado's whitewater rafting season. Colorado's rafting industry generates more than \$100 million per year, yet largely provides a peak attraction only in May and June. This is a world-class venue that provides unique, reliable whitewater unlike that found in any other park in Colorado. It also provides peak flows year-round.



IT OFFERS THE FOLLOWING PROGRAM ELEMENTS

2,200 linear feet of whitewater channel
Offers class 1 up to class 6 rapids
900 linear feet of adventure tubing
18,200 SF of hospitality building including retail and conference meeting spaces
1,500 SF of restaurant/concessions
14,451 SF of bungalows and covered group areas
3,526 SF of boat support buildings
An amphitheater, kid's mini-stream, climbing area, canyoneering area, zip lines, and fountain.

RTA REQUIREMENTS

Extraordinary and Unique in nature

- » One of only four whitewater adventure parks of its kind in the United States and the only park of its kind in the region that provides pumped whitewater action.
- » Designed to Olympic Standards, allowing it to host major events that other Colorado venues cannot including U.S. Olympic Time Trials
- » It will become the country's premier swiftwater rescue training center
- » Extends the length of Colorado's whitewater rafting season, generating additional revenue to the state

Result in substantial increase in out of state tourism

- » Responsible for bringing in 41,640 total out-of-state visitor days.

Generate a significant portion of their sales tax revenue from non-Colorado residents

- » \$6,274,854 sales tax revenue from non-Colorado residents over 30 years

But for the RTA assistance the project will not reasonably happen in the foreseeable future

- » \$11,937,000 funding gap remains after funding

\$11,937,000
funding gap





Go NoCO's Passport: Drawing Substantial Increase in Out-of-State Tourism

Go NoCO's projects will spur a significant increase in tourism to northern Colorado as measured by annual visitor days and room nights. Detailed market and feasibility studies were conducted, projecting 1.1 million total out-of-town-visitor days at the four Go NoCO projects. Of that total, almost 423,000 are estimated to result from net new out of state visitors (NNOVS.)

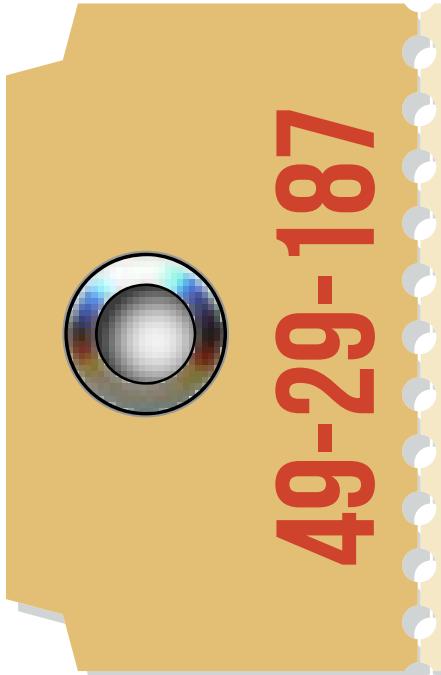
HVS Convention, Sports & Entertainment Facilities Consulting (HVS) completed detailed market and financial feasibility analyses of each of the five project elements used for this section.

Estimated Annual Visitor Days (in stabilized year)

Go NoCo RTA Projects

	Indoor Waterpark	U.S. Adventure Park	PeliGrande Resort & Windsor Conf Center	Stanley Auditorium/ Film Center	Total RTA Projects
Total Visitor Days	299,320	397,920	145,854	280,500	1,123,594
Out of State Visitor Days	170,128	41,640	99,032	221,378	532,178
Net New Overnight Visitor Days (NNOSV)	151,200	31,230	46,080	182,607	411,117
Existing Overnight Visitor Days	18,928	10,410	52,952	26,943	109,234
NNOSV Daytrips	0	0	0	11,827	11,827
In State Visitor Days	129,192	336,380	46,822	59,122	571,516
Net New Overnight Visitor Days (NNCV)	100,800	24,210	11,520	26,943	163,473
Existing Overnight Visitor Days	28,393	0	35,302	26,943	90,638
Non-Local Daytrips	0	312,170	0	5,235	317,405
TOTAL OUT OF TOWN VISITOR DAYS	299,321	378,020	145,854	280,500	1,103,695
Local Day Trips	0	19,900	0	0	19,900
TOTAL VISITOR DAYS	299,321	397,920	145,854	280,500	1,123,595

Source: HVS, and Anderson Analytics



49-29-187

49-29-187

**339,000 room
nights generated**

Go NoCO projects are expected to generate a total of 339,000 room nights at stabilization in 2021. More than half (52%) of that total are attributable to net new out-of-state visitors.

Estimated Annual Room Nights (in stabilized year) Go NoCo RTA Projects

		Total New Room Nights	Net New Out of State Visitor Induced Room Nights
Indoor Waterpark Resort of the Rockies		85,520	43,200
U.S. Whitewater Adventure Park		32,925	20,820
PeliGrande Resort & Windsor Conf Center		81,030	25,600
Stanley Auditorium/Film Center	1/	139,293	86,899
	TOTAL ROOM NIGHTS	338,768	176,519

1/ Net New Out of State visitor amount is for new room nights in the RTZ. It does not include an additional 9,655 Net New Out of State Visitor room nights projected to be generated outside the RTZ.

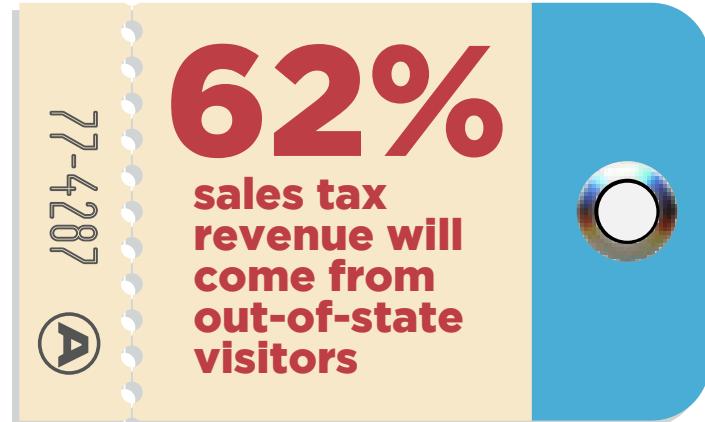
Source: HVS and Anderson Analytics

Go NoCO: Passport to Sales Tax Revenue

A significant portion of the state sales tax revenue generated by the Go NoCO projects is anticipated to come from transactions with non-Colorado residents. These projects were designed to bring in visitors

and generate sales tax revenue. Almost 62% of the anticipated sales tax revenue will come from out-of-state visitors with more than three-quarters of that total being attributable to NNOSV.

The state of Colorado gets:	
In 2021	\$5.1 million total sales tax revenue \$3.2 million (66%) from out of state visitors \$2.4 million (47%) from NNOSV \$2.3 million in proposed RTZ (94%)
Over the 30-year period	\$189.4 million total sales tax revenue \$117.1 million (62%) from out of state visitors \$91.2 million (48%) from NNOSV \$86,119,375 in proposed RTZ



Projected Sales Tax Revenue to State of Colorado from Visitor Spending

Go NoCo RTA Projects

	Indoor Waterpark	U.S. Whitewater Adventure Park	PeliGrande Resort & Windsor Conf Center	Stanley Auditorium/Film Center	TOTAL RTA PROJECTS	% of Total
Revenue in Stabilized Year of Operations	Resort of the Rockies	% of Total	% of Total	% of Total		
Total Sales Tax Revenue	\$1,183,118	100.0%	\$830,654	100.0%	\$1,110,192	100.0%
Out of State Visitors	\$672,463	56.8%	\$171,071	20.6%	\$753,802	67.9%
Net New Overnight Visitors (NNOSV) in RTZ	\$597,646	50.5%	\$128,303	15.4%	\$350,746	31.6%
Net New Overnight Visitors (NNOSV) outside RTZ	\$0	0.0%	\$0	0.0%	\$0	0.0%
Existing Overnight Visitors	\$74,816	6.3%	\$42,768	5.1%	\$403,056	36.3%
NNOSV Daytrips	\$0	0.0%	\$0	0.0%	\$0	0.0%
In State Visitors	\$510,656	43.2%	\$659,584	79.4%	\$356,390	32.1%
Net New Overnight Visitors (NNCV)	\$398,431	33.7%	\$99,462	12.0%	\$87,686	7.9%
Existing Overnight Visitors	\$112,229	9.5%	\$0	0.0%	\$268,704	24.2%
Non-Local Daytrips	\$0	0.0%	\$560,121	67.4%	\$0	0.0%
Revenue - 30 year Total						
Total Sales Tax Revenue	\$43,596,690	100.0%	\$30,468,329	100.0%	\$41,119,569	100.0%
Out of State Visitors	\$24,779,559	56.8%	\$6,274,854	20.6%	\$27,919,492	67.9%
Net New Overnight Visitors (NNOSV) in RTZ	\$22,022,650	50.5%	\$4,706,140	15.4%	\$12,991,003	31.6%
Net New Overnight Visitors (NNOSV) outside RTZ	\$0	0.0%	\$0	0.0%	\$0	0.0%
Existing Overnight Visitors	\$2,756,909	6.3%	\$1,568,713	5.1%	\$14,928,489	36.3%
NNOSV Daytrips	\$0	0.0%	\$0	0.0%	\$0	0.0%
In State Visitors	\$18,817,131	43.2%	\$24,193,476	79.4%	\$13,200,077	32.1%
Net New Overnight Visitors (NNCV)	\$14,681,766	33.7%	\$3,648,276	12.0%	\$3,247,751	7.9%
Existing Overnight Visitors	\$4,135,364	9.5%	\$0	0.0%	\$9,952,326	24.2%
Non-Local Daytrips	\$0	0.0%	\$20,545,200	67.4%	\$0	0.0%

Estimated Amount of State Sales Tax Increment Revenues Eligible to be Shared Back with the Projects

The appropriate spending assumptions and ratios were applied to projected visitor days to yield a projection of the state sales tax increment directly attributable to NNOVS spending. The table below summarizes the results of those calculations. As presented in that table, a total of \$86,119,375 of states sales tax increment revenue within the proposed RTZ is attributable to NNOSV over the 30-year financing period. That entire amount is requested to pay for eligible improvements associated with the four project elements of the Go NoCO RTA application.

\$86,119,375
states sales tax increment revenue

Eligible State Sales Tax Increment Go NoCo RTA Projects

Description	30 Year Total
RTZ Tax Increment with All Projects	
Natural Sales Tax Increment	\$253,548,134
Indoor Waterpark Resort of the Rockies	\$43,596,690
U.S. Whitewater Adventure Park	\$30,468,329
PeliGrande Resort & Windsor Conf Center	\$41,119,569
Stanley Auditorium/Film Center	\$51,813,138
Total Sales Tax Increment	\$420,545,861
Eligible (Net New) Tax Increment	
Indoor Waterpark Resort of the Rockies	\$22,022,650
U.S. Whitewater Adventure Park	\$4,706,140
PeliGrande Resort & Windsor Conf Center	\$12,991,003
Stanley Auditorium/Film Center	\$46,399,582
Total Sales Tax Increment	\$86,119,375
Percentage Eligible for Combined Projects	20.48%
30-year average % of RTZ Revenue Tax Increment Award	\$86,119,375

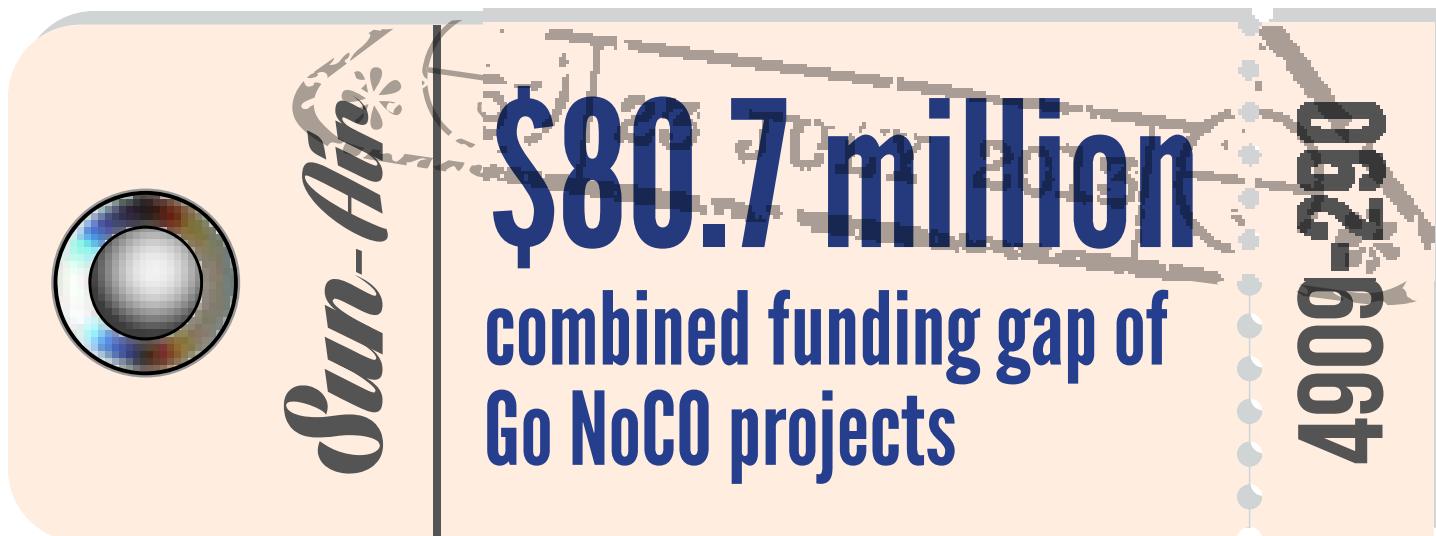
Source: Anderson Analytics



The Ticket to Go NoCO: RTA Assistance to Fix the Sizeable Funding Gap

Go NoCO's analysis included a detailed look at financial feasibility through the use of a discounted cash flow analysis for each project. HVS calculated the present value of project cash flows using discount rates that reflect market risk and the anticipated rate on return on private investment. These project values were compared to the estimated capital costs as shown in the figure below.

As estimated by HVS, the Go NoCO projects have a combined funding gap of \$80.7 million that must be filled by local/state subsidy assistance to make the projects feasible. That gap comprises more than 24% of the total combined cost. Without state sales tax increment revenue, Go NoCO projects will not be developed in the foreseeable future.



Estimated Funding Gap for RTA Projects

Go NoCo RTA Projects

	Total Project		Estimated		Funding Gap
	Costs		Project Value 1/	=	
Indoor Waterpark Resort of the Rockies	\$138,330,000	-	\$107,900,000	=	\$30,430,000
U.S. Whitewater Adventure Park	\$60,976,000	-	\$49,039,000	=	\$11,937,000
PeliGrande Resort & Windsor Conf Center	\$109,990,000	-	\$83,000,000	=	\$26,990,000
Stanley Auditorium/Film Center 2/	\$22,468,000	-	\$11,130,000	=	\$11,338,000
TOTAL RTA PROJECTS	\$331,764,000	-	\$251,069,000	=	\$80,695,000

1/ Based on discounted cash flow analysis for each project.

2/ Although the total estimated project cost is \$24,468,000, HVS reduced the cost by the expected \$2 million land donation in calculating the funding gap.

Source: HVS

Go NoCO has worked to create finance plans for each project element to bridge the estimated funding gaps. As reflected in the sources and uses table below, a total of 76.6% (\$255.8 million) of the total combined project cost will be paid through a combination of private debt, private equity, non-profit debt, philanthropic donations, and developer guarantees/contributions. Of the remaining costs, 13.3% (\$44.3 million present value) will be covered through self-imposed public improvement fees (PIFs). That leaves a remaining balance of 10.1% (\$33.7 million present value) proposed to be paid through the state and local government tax revenues generated by the projects. A combination of taxable and tax-exempt bonds is proposed to be issued to generate the \$33.7 million.

To bridge that remaining gap and to achieve the debt service coverage ratios required for the bonds, the City of Loveland and the Town of Windsor are assumed to dedicate a sizable portion of the tax increment generated

by the projects. Specifically, the City and the Town are anticipated to pledge to the bonds all of the municipal sales and property taxes generated on-site by the Waterpark and PeliGrande resorts. Additionally, the City of Loveland is anticipated to dedicate all on-site sales tax revenues generated by the Whitewater Adventure Park.

When combined, these local government tax revenue sources will support approximately 4.1% (\$13.6 million) of total project costs. The remaining balance of \$20.1 million (6.0%) is proposed to be paid through eligible state sales tax increment revenues. A total state Sales Tax increment of \$86.1 million over a 30-year financing period is proposed to be used to pay the principal, interest, and debt service coverage on that portion of the bonds.

The proposed capital stack for each project element is detailed in the following sources and uses table.

76.6%

Private debt, private equity, non-profit debt, philanthropic donations, and developer guarantees/contributions

13.6%

Public improvement fees (PIFs)

10.1%

State and local government tax revenues

SOURCES AND USES OF FUNDS

Go NoCo RTA Projects

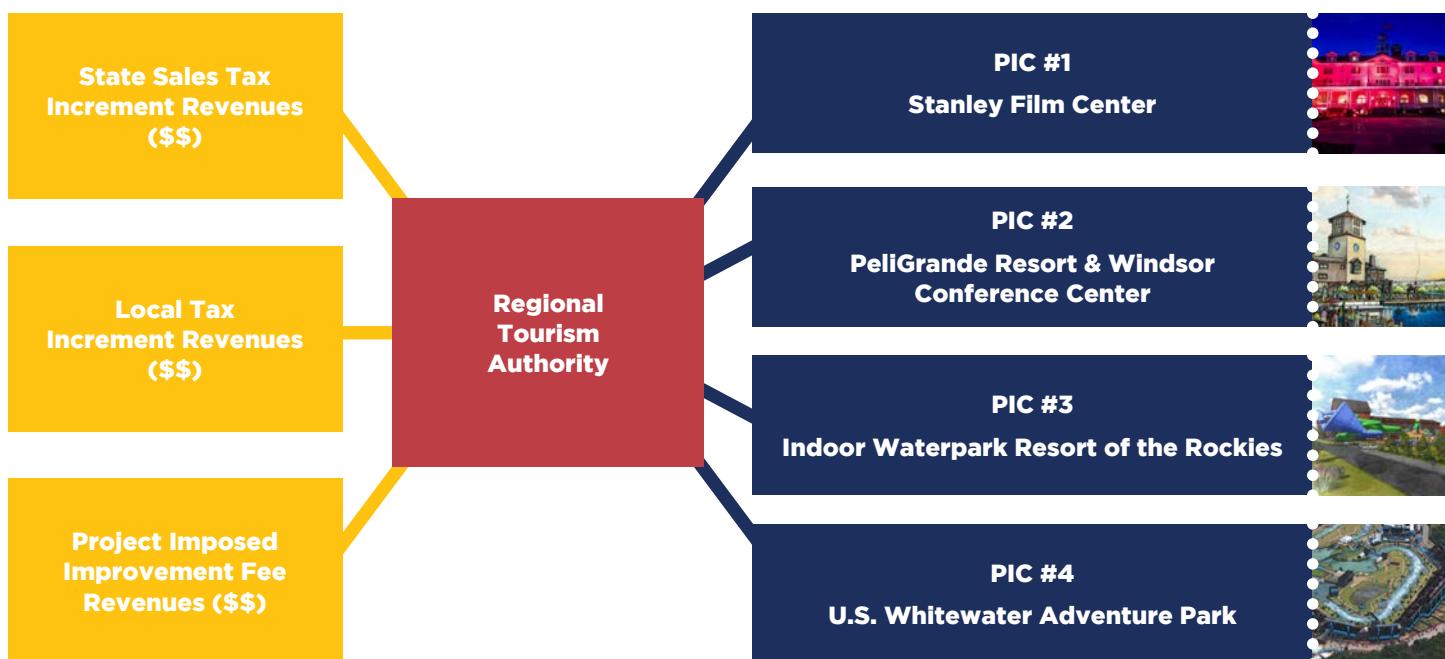
	Indoor Waterpark Resort of the Rockies	U.S. Whitewater Adventure Park	Resort & Windsor Conference Center	Stanley Auditorium/ Film Center	Total RTA	% of Total
SOURCES OF FUNDS						
Private Debt	\$75,565,000	\$39,231,200	\$58,000,000	\$0	\$172,796,200	51.8%
Non-Profit Debt	\$0	\$0	\$0	\$11,130,000	\$11,130,000	3.3%
Philanthropic Donations	\$0	\$0	\$0	\$2,000,000	\$2,000,000	0.6%
Private Equity	\$32,335,000	\$9,807,800	\$25,000,000	\$0	\$67,142,800	20.1%
Net Proceeds from Tax Exempt/Taxable Bonds	\$30,430,000	\$11,937,000	\$26,989,000	\$11,338,000	\$80,694,000	24.2%
Portion paid by State Sales Tax Increment	\$6,130,642	\$1,012,329	\$3,277,625	\$9,730,011	\$20,150,607	6.0%
Portion paid by Local Govt Tax Increment	\$8,835,218	\$816,729	\$3,907,471	\$0	\$13,559,418	4.1%
Portion paid by Public Improvement Fees (PIF)	\$14,815,864	\$10,022,275	\$19,444,583	\$0	\$44,282,722	13.3%
Portion paid by Developer Contribution/Guarantee	\$648,275	\$85,667	\$359,321	\$1,607,989	\$2,701,252	0.8%
TOTAL SOURCES OF FUNDS	\$138,330,000	\$60,976,000	\$109,989,000	\$24,468,000	\$333,763,000	100%

USES OF FUNDS

Land	\$6,500,000	\$10,454,000	\$6,534,000	\$2,000,000	\$25,488,000	7.6%
Building Construction	\$96,500,000	\$36,686,000	\$64,392,000	\$19,100,000	\$216,678,000	64.9%
FF&E	\$9,630,000	\$0	\$12,600,000	\$1,368,000	\$23,598,000	7.1%
Soft Costs and Contingency	\$25,700,000	\$13,836,000	\$26,463,000	\$2,000,000	\$67,999,000	20.4%
TOTAL USES OF FUNDS	\$138,330,000	\$60,976,000	\$109,989,000	\$24,468,000	\$333,763,000	100%

The combination of taxable and tax-exempt bonds proposed to be issued to bridge the funding gaps are anticipated to be issued by non-profit organizations to be established as Public Improvement Corporations (PICs). Each project element will have a separate PIC established to serve as the issuer of bonds necessary to finance the construction of eligible improvements associated with that particular project. For example, a PIC will be established to serve as the issuer of bonds only for eligible improvements at the Indoor Waterpark Resort.

Those bonds are proposed to be paid through a combination of state sales tax increment revenues, local government tax increments, self-imposed public improvement fees (PIFs), and participant facility fees. A Regional Tourism authority to be established pursuant to approval of this RTA application will serve as the official Financing Entity and will enter into all appropriate agreements to receive all eligible State sales tax increment revenues as well as local government tax increment revenues they share back with the projects. The authority will also enter into agreements to disburse state and local tax increment revenues to each of the four PICs for payment of debt service payments on the bonds.



The RTA assistance is “Gap Financing” and will not be the first dollars in. Go NoCO wanted to bring the state an RTA application that wasn’t heavy on public investment and operation. Local governments are stepping up along with the state to assist with the gap financing needed to make Go NoCO a reality and achieve its tourism potential. There will be no elections nor urban renewal authorities required if Go NoCO successfully wins an RTA award and RTA money will not be the first contribution to these projects.

The capital stack for three of the project elements is comprised of private debt and equity in combination with the net proceeds from tax exempt/taxable bonds. The bonds will be “multi-barreled” in that they will include a combined pledge of local government and

State RTA tax increment revenues along with public improvement fee revenues. In other words, the local tax increment and RTA tax increment revenues will go into the capital stack at the same time. Also, it is not possible for the bonds to be sold until all of the private equity and private debt financing has been committed.

The capital stack for the Stanley Film Center project has been structured similarly, but the private equity and debt is replaced with philanthropic donations and non-profit debt as a non-profit entity will have ownership of that project element. As is the case for the other project elements, the bonds cannot be successfully marketed and sold until the other components of the capital stack are fully committed and in place.

Creation of a Regional Tourism Authority is Requested

Creation of a regional tourism authority, to be the Northern Colorado Regional Tourism Authority (NCRTA) is requested as a part of this application. It is requested that the boundaries of the NCRTA exactly match the geographic area encompassed by the proposed RTZ. The authority is proposed to have all the powers available to it as provided in section 24-46-306 (3)

C.R.S. The Board of directors of the NCRTA will be comprised of a single member who is an elected official and a single member who represents the community at large appointed by each local governmental entity (City of Loveland, Town of Windsor, Town of Estes Park, Larimer County) and an equal number of commercial property owners within the Tourism Zone.



Total initial investment
Total one-time economic impact
Annually recurring impact

\$334 million
\$501 million
\$232 million

Passport to Economic Impact

Go NoCO's proposed projects will have a substantial and significant impact on economic development and tourism in Colorado and will greatly enhance northern Colorado's ability to attract net new out of state and international visitors. Go NoCO projects will result in a combined total initial investment of \$334 million. Total one-time economic impact (in 2014 dollars) will be almost \$501 million during construction, with the annually recurring impact being over \$232 million.

A total of 4,150 new jobs will be created in Colorado during the construction of Go NoCO's projects. A total of 2,650 annually recurring jobs will be created and sustained as a result of the new visitor spending and operations of the four projects. The proposed projects will also serve as a catalyst to establish the Loveland/Windsor area as a destination tourism location and provide a much needed boost to tourism activity and spending in Estes Park. The synergy and mix of attractions proposed for Loveland, Windsor and Estes Park are designed to maximize the number of new visitors to Colorado and to maximize their length of stay.

Summary of Economic Impacts

Go NoCo RTA Projects

	Indoor Waterpark Resort of the Rockies	U.S. Whitewater Adventure Park	PeliGrande Resort & Windsor Conference Center	Stanley Auditorium/ Film Center	Total RTA Project
Total Project Investment in Colorado	\$138,330,000	\$60,976,000	\$109,989,000	\$24,468,000	\$333,763,000
Ongoing Impacts (at stabilization)					
Total Ongoing Jobs	595	695	465	893	2,647
Direct Jobs	442	544	328	680	1,995
Indirect Jobs	79	62	77	104	322
Induced Jobs	74	89	60	108	331
Total Labor Income	\$17,546,158	\$20,083,853	\$13,676,148	\$24,586,628	\$75,892,786
Total Value Added (GDP)	\$33,521,642	\$29,524,719	\$29,779,458	\$43,798,546	\$136,624,366
Total Output	\$56,557,301	\$49,512,986	\$50,067,924	\$75,935,209	\$232,073,420
One - Time Construction Impacts					
Total Jobs	1,748	699	1,394	307	4,148
Direct Jobs	1,036	414	826	182	2,459
Indirect Jobs	333	133	266	59	791
Induced Jobs	379	151	302	66	898
Total Labor Income	\$85,929,431	\$34,364,970	\$68,499,955	15,087,507	\$203,881,863
Total Value Added (GDP)	\$105,481,228	\$42,184,141	\$84,085,967	18,520,416	\$250,271,752
Total Output	\$211,118,044	\$84,430,506	\$168,295,965	37,068,150	\$500,912,665

Source: Anderson Analytics

Project Commitments: 'Development-Ready'

Go NoCO has development-ready projects

Backed by proven developers, Go NoCO has development-ready projects driven by owner/operators. If an RTA grant is awarded, the projects are intended to start single-phase development immediately in 2016 (pending agreement in January 2016,) an assumed 18-24 month construction period for each of the five project elements, with the estimated completion timeline of 2018. Appropriate allowances for capitalized interest during construction have been built into both the private and public capital stacks for each project element

In-state competition

All Go NoCO projects were analyzed and evaluated to enhance Colorado tourism opportunities, not to take away from other communities or existing approved RTA projects. We are targeting different markets with different projects that will enhance the state's tourism opportunity.

The Stanley Film Center will be the first facility of its kind in the U.S. dedicated to the appreciation of horror films. Given its unique nature, the facility does not have any current competition. The HVS market analysis of this project identified a total of six comparable venues in the U.S. None of those facilities are located in the Rocky Mountain region.

The Indoor Waterpark Resort of the Rockies is different than any other Colorado RTA project or existing attraction. HVS identified a list of hotels that would compete on a primary or secondary basis with the Indoor Waterpark Hotel. The primary competitors are larger upscale hotels located in the cities of Loveland or Fort Collins, while the secondary competitors are generally smaller upscale hotel properties in the area. The Indoor Waterpark Hotel would be a new type of property for the Loveland area and the state of Colorado. The property would draw on a unique demand generator, the indoor waterpark, which visitors could only use with a purchase of a room night at the Indoor Waterpark Hotel. **It is the only purpose-built, ground-up designed destination attraction that centers around the indoor waterpark and other amenities to create a truly family friendly entertainment experience, surrounded by many synergistic venues.** It is adjacent to the U.S. Whitewater Adventure Park, in close proximity to the PeliGrande Resort and Conference Center and is in close proximity to several other family-friendly destinations including Rocky Mountain National Park, more than three golf courses, the Budweiser Events Center, shopping, diverse outdoor activities and more. Families will come to Northern Colorado for not just the Indoor Waterpark Resort, but they would also extend their stay to go to the U.S. Whitewater Adventure Park, go shopping, golf, rock climb and more at other Go NoCO projects for a complete destination experience.

The PeliGrande Resort is different than any other Colorado RTA project or existing attraction. It is the only resort in Colorado to have secured a promise from the PGA to bring a Champions Tour event to the soon-to-be-built Raindance National Golf course. The event is scheduled to premiere in 2018 and would be Colorado's only long-term PGA event. The PeliGrande Resort and Windsor Conference Center would be the headquarters and anchor hotel for the Champions Tour where the event attendees would have exclusive use of its amenities. In addition to the resort guests, the tour event is expected to generate significant visitors to the Windsor/Loveland area and will generate considerable international and national media exposure with a spotlight on northern Colorado. The RTA award, and associated projects, are required to bring this event to Colorado.

HVS identified a list of hotels that would compete on a primary or secondary basis with the PeliGrande Resort. The primary competitors are larger upscale hotels located in the cities of Loveland and Fort Collins, while the secondary competitors are generally upscale hotel properties in the state of Colorado. The PeliGrande Resort will be an intimate experience with its 300 guestrooms. As such the PeliGrande Resort will be positioned to create a guest experience that most other hotels in Colorado cannot create, particularly those in more dense metropolitan areas. The PeliGrande Resort will do so by delivering on the grandness of what Colorado has to offer, having guests engage in those activities outside the PeliGrande Resort. This focus will cause northern Colorado to be a newly sought out destination by leisure and group meeting planners from all over the U.S. and will encourage longer lengths of stay for out-of-state travelers.

There doesn't exist a facility comparable to the U.S. Whitewater Adventure Park in Colorado or the Rocky Mountain region. HVS identified only three comparable facilities globally and one of the facilities is located in Great Britain and the other two are not considered to be direct competitors given their geographic location. The other two are the U.S. National Whitewater Park in Charlotte, North Carolina which opened in 2006. The other facility, known as RIVERSPORT Rapids in Oklahoma City, Oklahoma is scheduled to open this year.

Now Boarding for Go NoCO

Go NoCO is bringing exceptional and unmatched projects to the table, giving Colorado tourism new and exciting offerings to attract visitors. These projects have been designed to be built immediately, boosting tourism opportunities as early as 2018 upon completion. While we have been working hard to bring private, local government and philanthropic funding sources to

the table, a funding gap remains and stands in the way of bringing these development-ready projects to life. By awarding an RTA grant to Go NoCO, the Colorado Economic Development Commission is demonstrating that it supports tourism across the state of Colorado and is invested in giving visitors a passport to discovery and Colorado-inspired adventures in northern Colorado.



Financial Plan for the Go NoCO Projects Located in Loveland

The purpose is to provide the City Council with a high level overview of the two projects in Loveland that are included in the Regional Tourism Authority application. The two projects in Loveland are the Indoor Waterpark Resort of the Rockies and the U.S. Whitewater Adventure Park. They are separate projects and will be financed separately. Economically and financially they are closely linked together. The State Economic Development Commission reached their conclusion of “unique and extraordinary” based on the U.S. Whitewater Adventure Park (“WAP”). The financial success of WAP is dependent on the presence and success of the Waterpark Resort.

Two tables provide the most critical summary information for the Council. The first is **Table 1: Sources and Uses of Funds**. This table is presented in current dollars and is the best estimate of how much it will cost to build each of the projects. To build the projects, a combination of funding sources have been identified and the anticipated uses of the funding sources are identified. The second table is **Table 2: Comparison of Net New State Sales Tax Revenue**. This table show how much of the project funding sources will be required over the next 30 years to pay off the State Sales Tax Increment share of the project costs presented in Table 1.

Table 1: Sources and Uses of Funds

SOURCES AND USES OF FUNDS							
Go NoCO RTA Projects in Loveland							
	Indoor Waterpark Resort of the Rockies	Percent of Total	U.S. Whitewater Adventure Park	Percent of Total	Total RTA Loveland Projects	Percent of Total	
SOURCES OF FUNDS							
Private Debt	\$ 75,565,000	54.6%	\$ 39,231,200	64.3%	\$ 114,796,201	57.6%	
Private Equity	32,335,000	23.4%	9,807,800	16.1%	42,142,800	21.1%	
Net Proceeds from Tax Exempt/Taxable Bonds	30,430,000	22.0%	11,937,000	19.6%	42,367,000	21.3%	
Portion paid by State Sales Tax Increment	6,130,642	4.4%	1,012,329	1.7%	7,142,971	3.6%	
Portion Paid by Local Government Tax Increment	8,835,218	6.4%	816,729	1.3%	9,651,947	4.8%	
Portion paid by Public Improvement Fees ("PIF")	14,815,864	10.7%	10,022,275	16.4%	24,838,139	12.5%	
Portion paid by Developer Contribution/Guarantee	648,275	0.5%	85,667	0.1%	733,942	0.4%	
TOTAL SOURCES OF FUNDS	\$ 138,330,000	100.0%	\$ 60,976,000	100.0%	199,306,000	100.0%	
USES OF FUNDS							
Land	\$ 6,500,000	4.7%	\$ 10,454,000	17.1%	\$ 16,954,000	8.5%	
Building Construction	96,500,000	69.8%	36,686,000	60.2%	133,186,000	66.8%	
Fixtures, Furniture, and Equipment	9,630,000	7.0%	-	0.0%	9,630,000	4.8%	
Soft Costs and Contingency	25,700,000	18.6%	13,836,000	22.7%	39,536,000	19.8%	
TOTAL USES OF FUNDS	\$ 138,330,000	100.0%	\$ 60,976,000	100.0%	\$ 199,306,000	100.0%	

As presented in the leftmost column in Table 1, for the Waterpark Resort private debt will pay for 54.6% of the project. Private Equity will cover 23.4%. So of the total project, the first **78% will be from private** sources. **The remaining 22% will be from debt financing**, some of which will be taxable (interest to debt holders will be subject to federal and state income tax) because it will not be public improvements and

the remainder from tax-exempt financing. At this time we do not know what the split between taxable and tax-exempt will be. The debt service will be paid from cash flows generated by the project.

To pay the future debt service on \$14.8 million of the project cost, the management of the project will impose specific charges to users and participants. These will take the form of “Public Improvement Fees,” additional charges on the price of admission to the Waterpark Resort.

The City of Loveland, though revenues generated by the projects (sales tax, lodging tax, and property tax) over the next 30 years, will contribute enough money to pay off the \$8,835,218 identified in the Table, the developer will make contributions in future years to the debt service fund to pay off \$648,275.

The last piece of the capital financing stack is the State RTA portion. In current dollars, this is the \$6,130,642. If negotiations with the State Economic Development Commission are successful, future state sales tax revenue from the Regional Tourism Zone will be made available to contribute to the future debt service on the project.

The financial sources for the Whitewater Adventure Park are similar. Private debt will pay for 64.3% of the Resort. Private Equity will cover 16.1%. So, of the total project **80.4% will be from private** sources. The **remaining 19.6%** be from debt financing, some of which will be taxable (interest to debt holders will be subject to federal and state income tax) because it will not be public improvements and the remainder from tax-exempt financing. The debt service will be paid from future cash flows generated by the project.

To pay the future debt service on \$10.0 million of the project cost, the management of the project will impose specific charges to users and participants. These will take the form of “Public Improvement Fees,” additional charges on the price of admission to the Whitewater Adventure Park.

The City of Loveland, though revenues generated by the projects (sales tax, lodging tax, and property tax) over the next 30 years, will contribute enough money to pay off the \$816,729 identified in the Table, the developer will make contributions in future years to the debt service fund to pay off \$85,667.

The last piece of the capital financing stack is the State RTA portion. In current dollars, this is the \$1,012,329. Again, if negotiations with the State Economic Development Commission are successful, future state sales tax revenue from the Regional Tourism Zone will be made available to contribute to the future debt service on the project.

The rightmost columns of Table 1 provide the combined current funding for the two projects in Loveland.

Most of the revenues for the debt service are performance based. This policy is in the best interest of the City and State. The City and State will be paying their portions of the debt service from future revenue generated by the project.

All of the information in Table 1 is in current dollars – what it would cost to build the project if it was all cash funded today. In Table 2, the focus is on a future stream of cash flows sufficient to meet the debt service on the debt sources of funds required.

The GO NoCO team presented the application to the State OEDIT for review and consideration according to the provisions of the State's Regional Tourism Act. OEDIT employed an independent Third Party Analyst ("TPA") to review all applications for the reasonableness of assumptions and probability for financial success. Table 2 provides the comparison of the request in the Go NoCO application for the two Loveland projects with the results of the TPA analysis.

Table 2: Comparison of State Net New Sales Tax Request and Third Party (Loveland Projects)

	Go NoCo Application	Third Party Analyst
Indoor Waterpark Resort of the Rockies	\$ 22,022,650	\$ 16,582,457
U.S. Whitewater Adventure Park	4,706,140	3,959,365
TOTAL	\$ 26,728,790	\$ 20,541,821

For both projects, the TPA amount of supportable State funding over the next 30 years is substantially below the amount developed as needed by the project proponents and the technical advisors to the City and Go NoCO team.

The percentage difference between the request and the TPA recommended level is 23.2% on the Total. For the Waterpark Resort the percentage difference is 24.7%. For the Whitewater Adventure Park the percentage difference is 15.9%.

At the time of this memo being written, negotiations were continuing and the Economic Development Commission had not made a final determination. In the past, there have been instances in which the Commission's recommendation was higher than the TPA's. By December 15, staff expects to have more information on the status of the negotiations.