

Foundry Project/Final Approval



The Project

- Five Screen, 625 Seat movie theater
- Public plaza space for community events and activities
- 460 space parking structure
- 155 units of housing (rental)
- 14,000 square feet of retail
- 53,000 square foot hotel with 90 to 100 rooms



The Terms

The City agrees

- to provide the land, use tax and fee waivers
- Invest \$17.6 million for public improvements including the parking structure

(capped amount for the public improvements is \$17,676,367)

Brinkman Partners agrees

- to build the Foundry project as outlined in the agreement and the previous slide within the prescribed time frames
- to build the 460 space parking facility to be owned by the City
- to create a Metro District and impose 30 mills to support the DDA bonds (25 mills) and the public plaza space (5 mills)
- to charge a one percent Public Improvement Fee on all taxable sales to support the parking facility

Estimated Investment Schedule

Estimated project payments over 30 years

	City/Lease Financing	Theater Lease	General Fund	TOTAL
2017	\$0	\$0	\$3,000,000	\$3,000,000
2018	0	200,000		200,000
2019	79,099	204,000		283,099
2020	389,663	208,080		597,743
2021	156,200	212,242		368,441
2022	136,044	216,486		352,530
2023	115,495	220,816		336,311
2024	94,546	225,232		319,778
2025	73,177	229,737		302,914
2026	51,381	234,332		285,713
2027	29,149	239,019		268,167
2028	561,266			561,266
2029	549,270			549,270
2030	537,037			537,037
2031	524,556			524,556
2032	511,828			511,828
2033	498,842			498,842
2034	485,600			485,600
2035	472,092			472,092
2036	454,314			454,314
2037	444,259			444,259
2038	429,924			429,924
2039	415,302			415,302
2040	400,387			400,387
2041	385,175			385,175
2042	369,658			369,658
2043	353,831			353,831
2044	337,687			337,687
2045	321,220			321,220
2046	0			0
Total	\$9,177,000	\$2,189,944	\$3,000,000	\$14,366,944

Other terms

- Metro District will charge the properties 5 mills that will be used for operations of the plaza space
- In support of the operations and maintenance of the parking facility, the developer has agreed to impose a:
 - *\$42 per unit/per month fee for the parking facility*
 - *a \$.50 cent per movie ticket fee for the parking facility*
 - *a \$.50 cent a square foot common area charge on the retail space (excluding the theater and hotel)*
 - *a one percent Room Service Fee on hotel*
- Developer agrees to minimum valuations for the property valuations to support the Tax Increment and will be required to make up the difference due to a shortfall

Estimated Parking Revenue

Includes .50 per ticket surcharge

\$42 per month/per unit

.50/square foot for Commercial space

1% room fee/hotel

2.76 mills to the General Improvement District

	Parking Revenue
2017	\$0.00
2018	51,337
2019	102,674
2020	205,348
2021	207,401
2022	209,475
2023	211,570
2024	213,686
2025	215,823
2026	217,981
2027	220,161
2028	222,362
2029	224,586
2030	226,832
2031	229,100
2032	231,391
2033	233,705
2034	236,042
2035	238,403
2036	240,787
2037	243,195
2038	245,626
2039	248,083
2040	250,564
2041	253,069
2042	255,600
2043	258,156
2044	260,737
2045	263,345
2046	265,978
Total	\$6,483,019

Assumes 25 percent of full stabilization in 2018 and 50 percent in year 2019

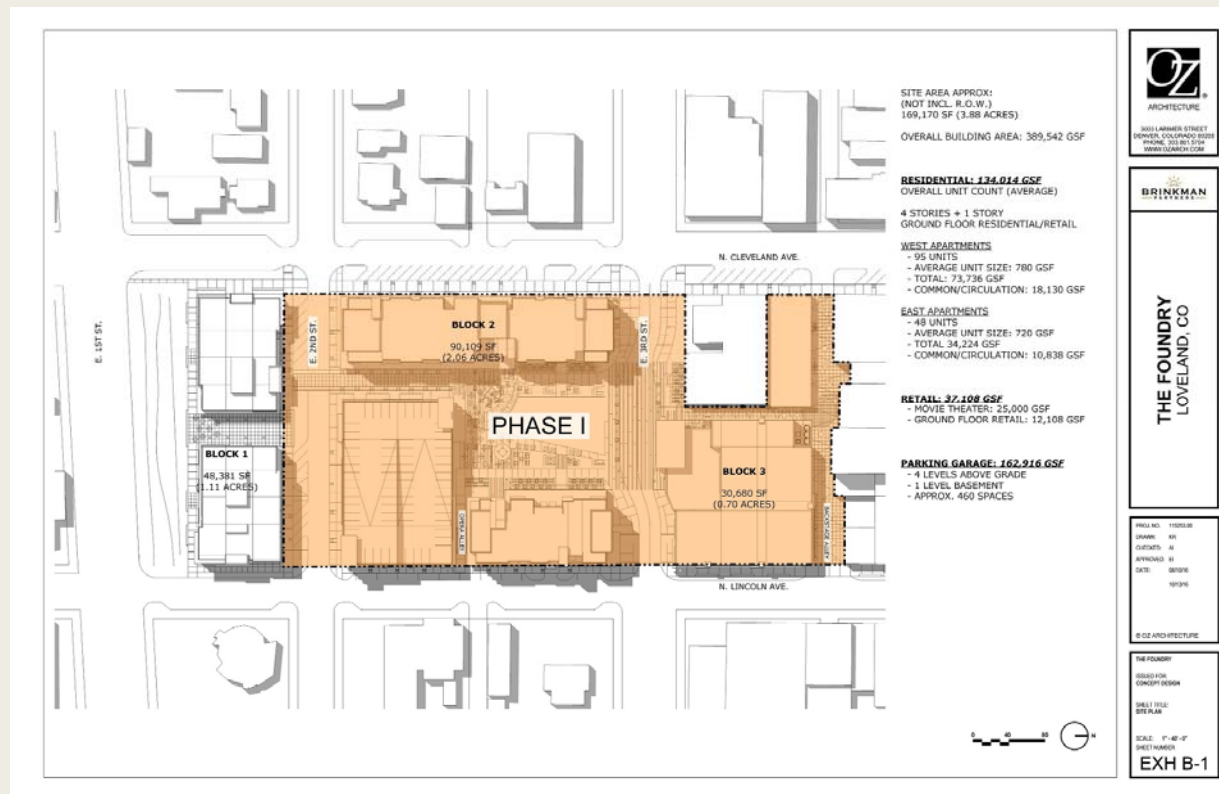
Assumes full build out and stabilization in year 2020.

Estimates assume a 1 percent increase year to year.

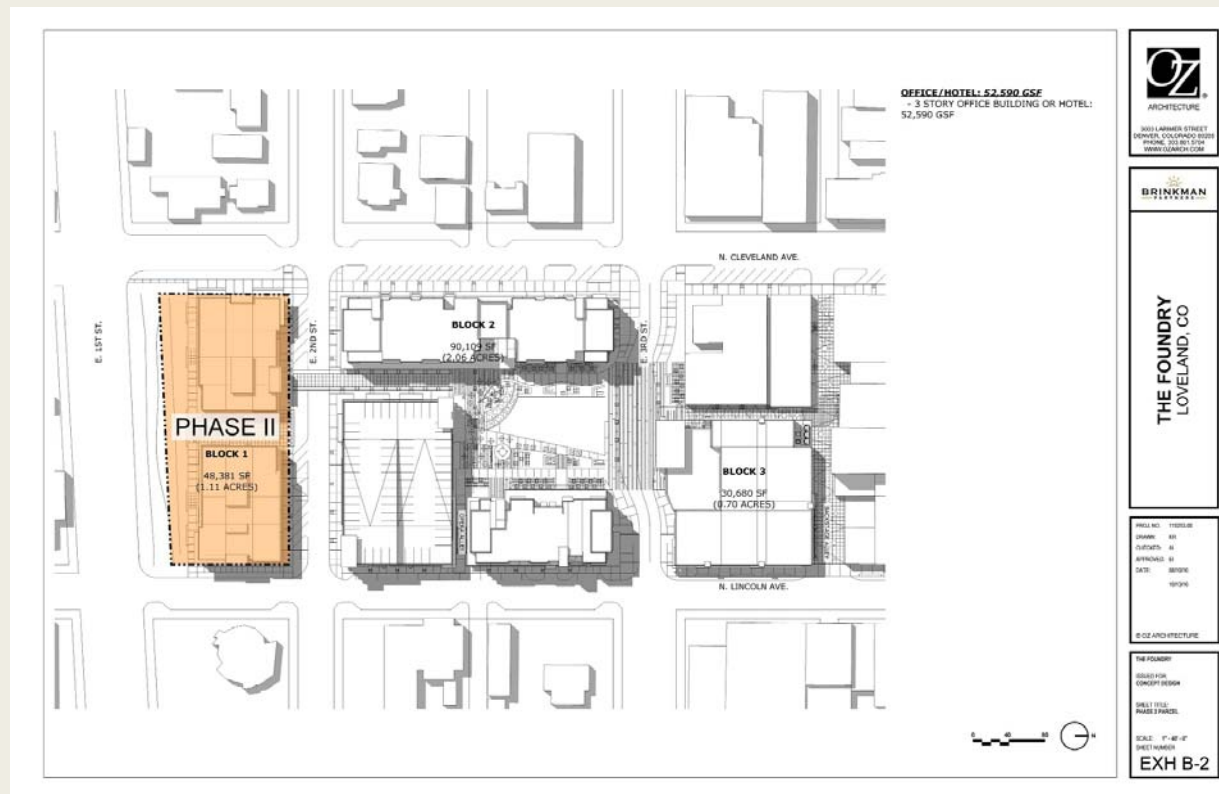
Movie Theater incentive

- Subject to annual appropriation, the City agrees to a \$200,000 per year lease subsidy for ten years with 2 percent escalator
- The total cost to the City over ten years would be \$2,189,944
- The City is entitled to a share of the proceeds from the developer above a 10 percent return as shown in Exhibit H

Phase I – completed 18 months from ground breaking



Phase II – commence construction by 12/31/18



Closing occurs when

- the developer obtains all permits for Phase I of the project
- the developer submits a full financing plan for Phase I and II
- the City receives and approves the developer's financing plan
- the Metro District service plan is approved

Groundbreaking is tentatively scheduled for April 17, 2017

RENDERINGS

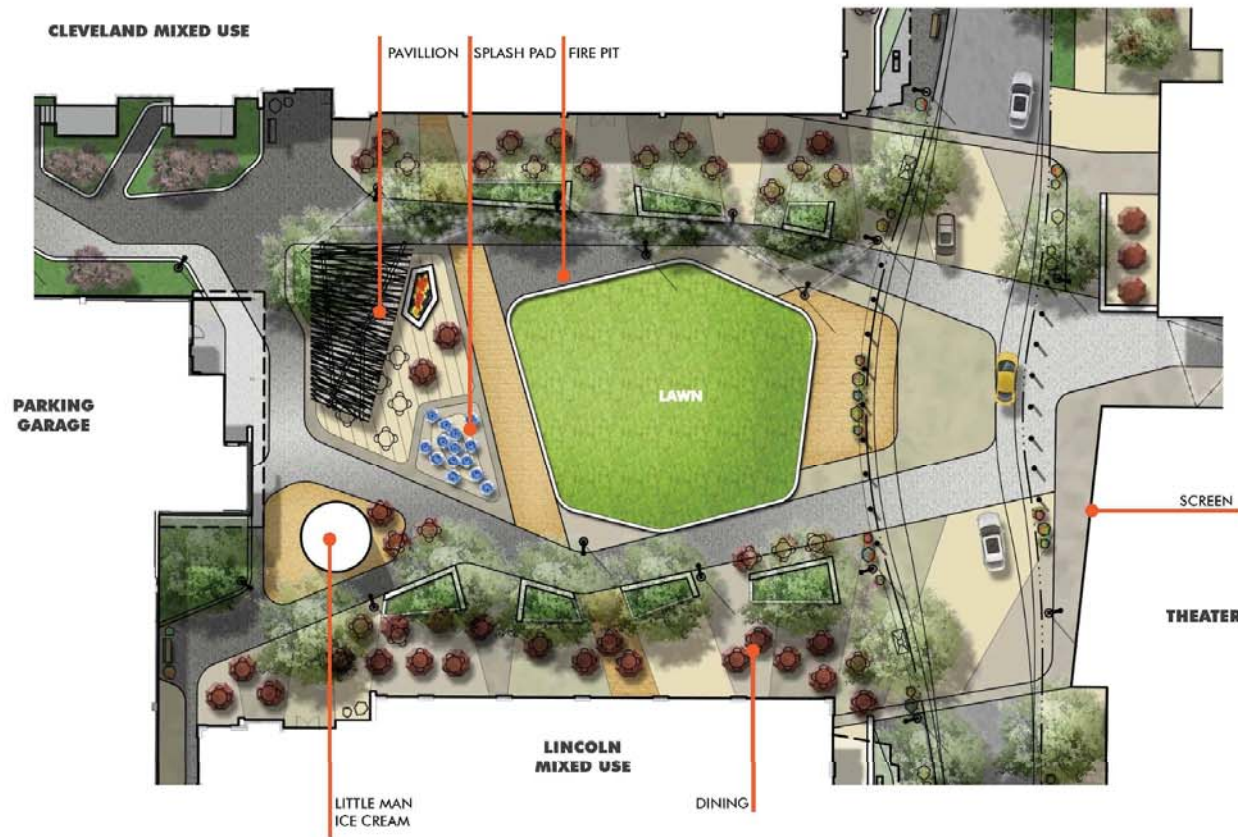
As of 12/9/16

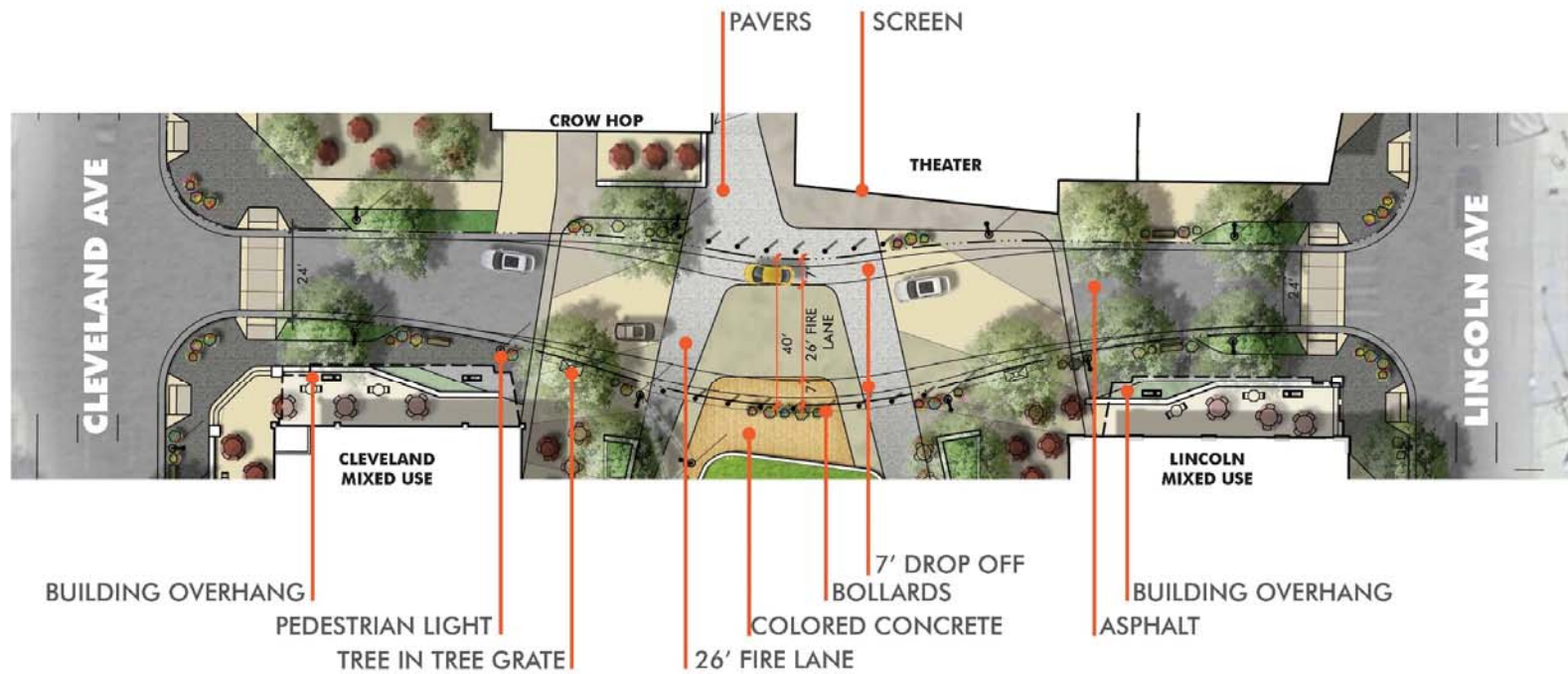




SITE PLAN

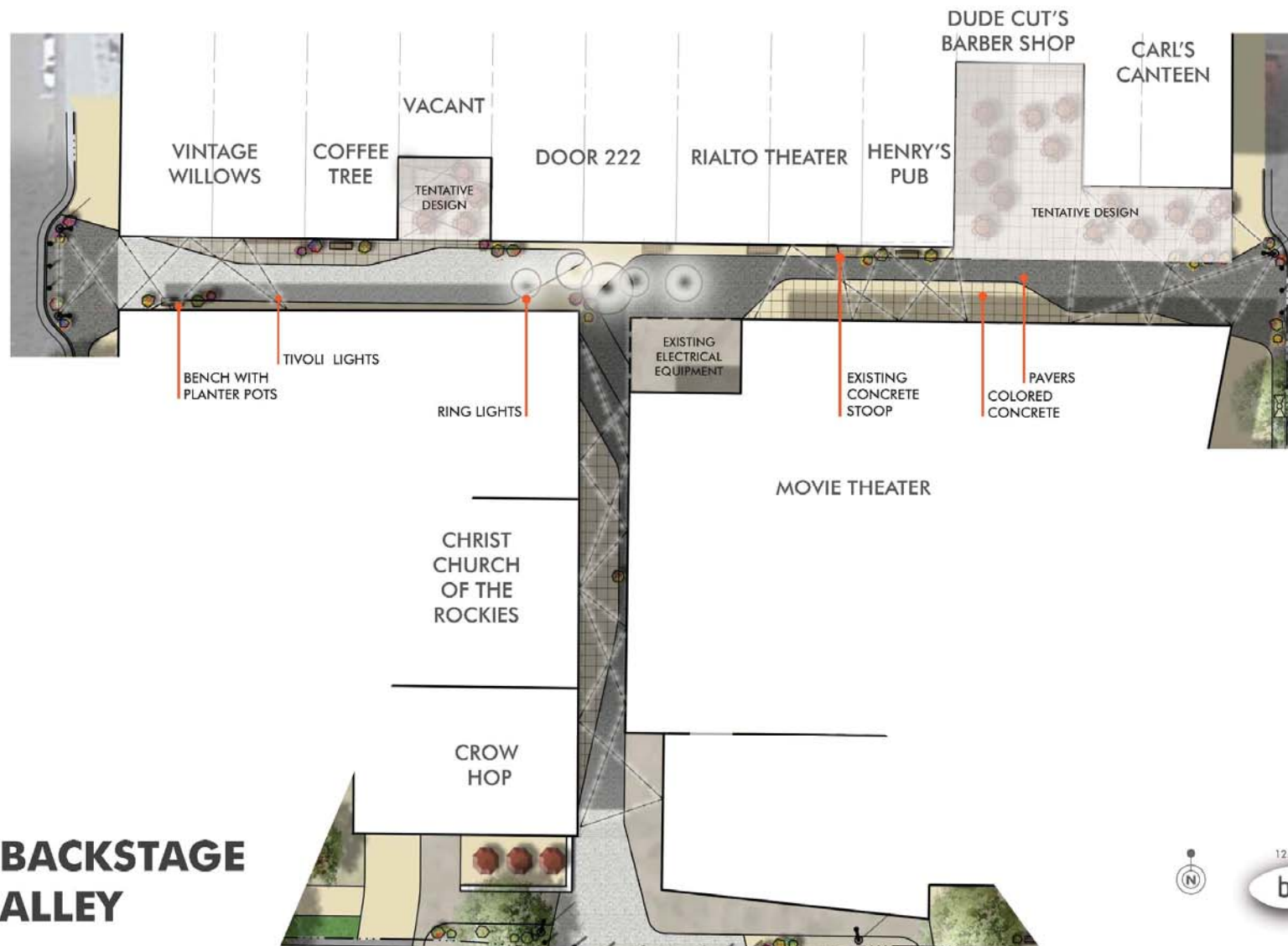
PLAZA





3RD STREET STREETScape

BACKSTAGE ALLEY



12.8.16

bha



CLEVELAND

THE FOUNDRY- LOVELAND, CO | 12.12.2016

VIEW FROM NORTHWEST



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

Pg. 1



CLEVELAND

THE FOUNDRY- LOVELAND, CO | 12.12.2016

VIEW FROM SOUTHEAST



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

Pg. 2



LINCOLN

THE FOUNDRY- LOVELAND, CO | 12.12.2016

VIEW FROM NORTHEAST



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

Pg. 3



LINCOLN

THE FOUNDRY- LOVELAND, CO | 12.12.2016

VIEW FROM NORTHWEST



ARCHITECTURE
URBAN DESIGN
INTERIOR DESIGN

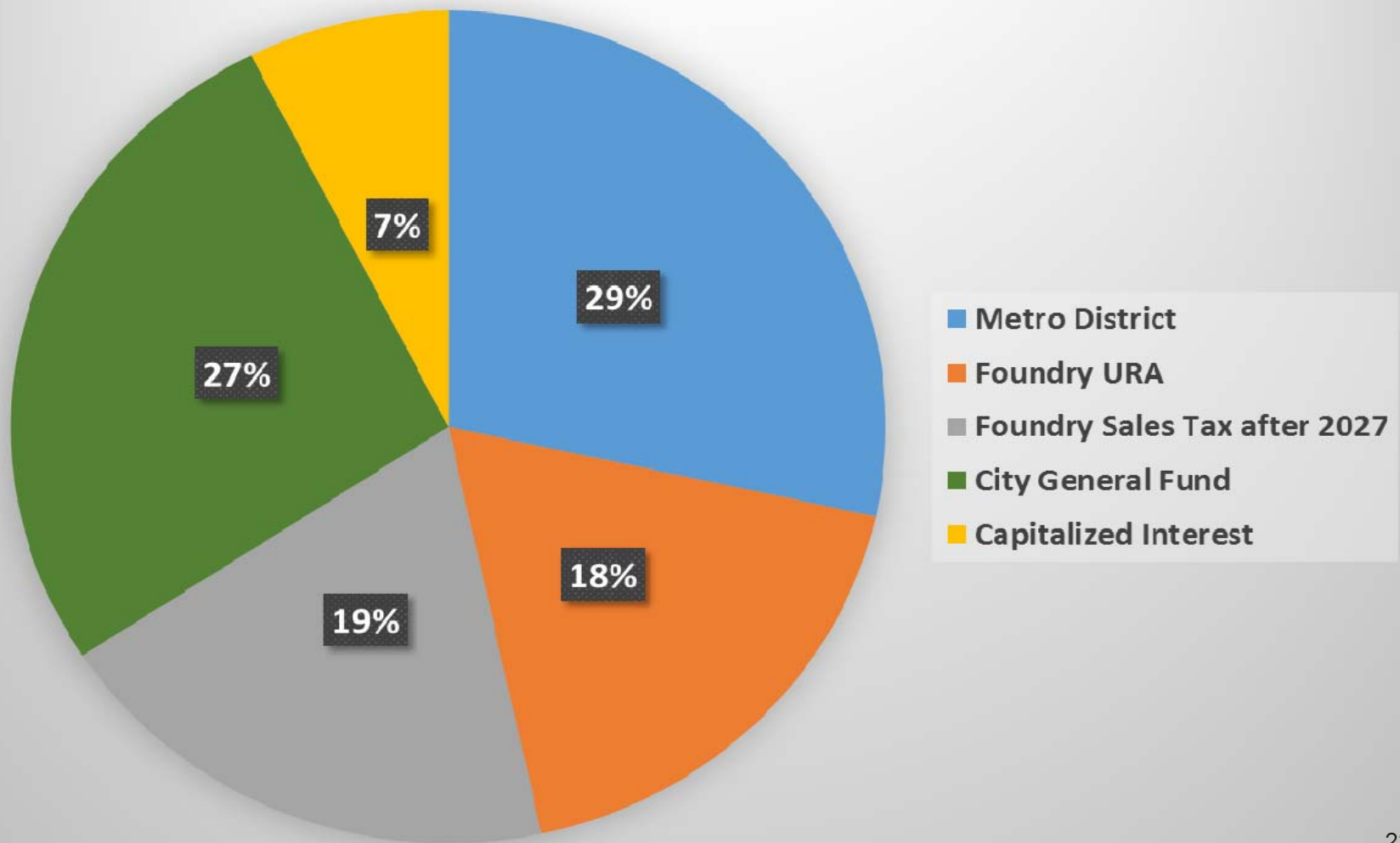
Pg. 4

Questions

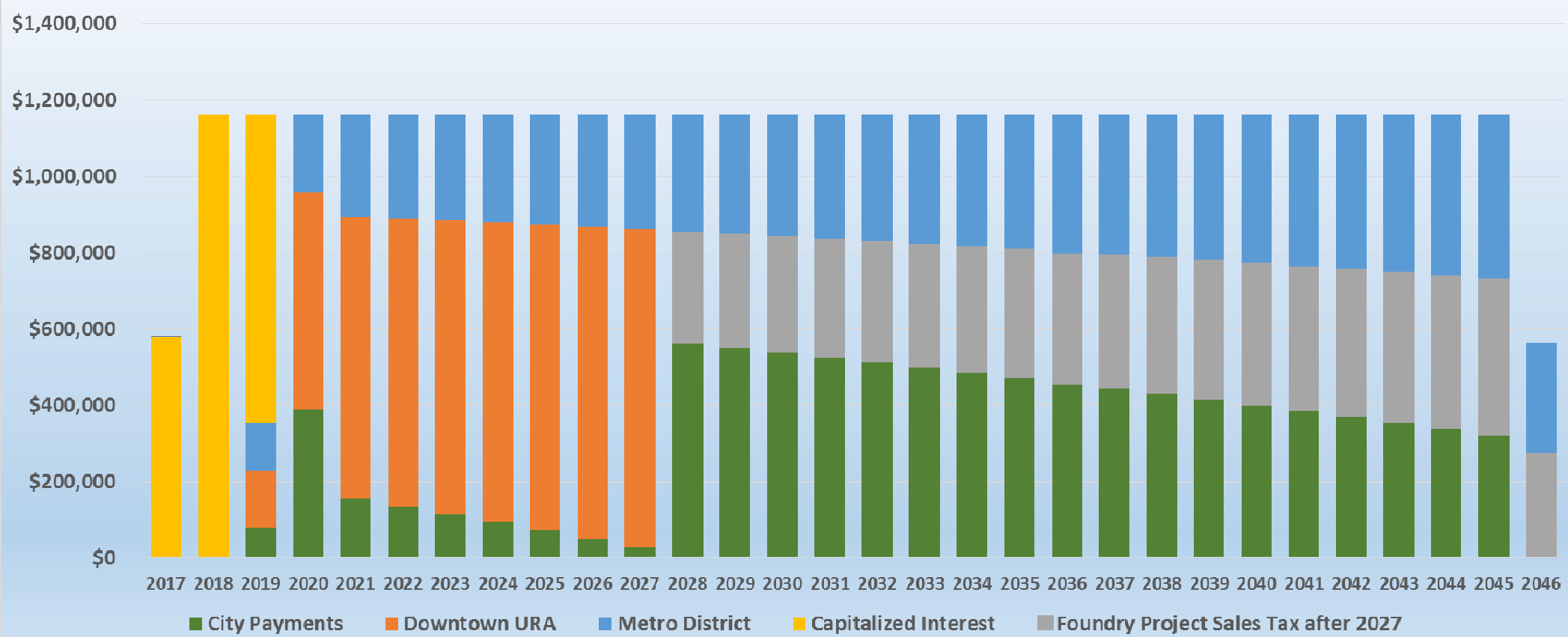
Project Assets to be retained

Assets to be retained by the City	
Land/Parking Structure	\$1,100,000
Plaza Space	\$600,000
320 N. Cleveland	\$600,000
Parking Structure	\$13,700,000
TOTAL	\$16,000,000

**Sources of Payments for the \$17.1 Million Lease Financing
\$14.5 million Base plus \$2.6 million Capitalized Interest**



Estimated Annual Lease Payments by Source for the Foundry Financing Plan



Meetings/Engagement

Council Meetings

Nov. 17, 2015	RFP Process Approval
Jan. 19, 2016	RFP Proposal Response
Feb. 2, 2016,	ENA Brinkman Approved
Feb. 23, 2016	South Catalyst/Exec Session
Feb. 29, 2016	South Catalyst/Approp 1 st
March 15, 2016	South Catalyst/Approp 2 nd
April 19, 2016	Contract Award
May 24, 2016	Update/Exec Session
June 6, 2016	ENA extension
August 16, 2016	Update/ENA extension
September 2, 2016	Metro District/GID Inclusion
Nov. 1, 2016	DRA Review
Dec. 6, 2016	Financing Plan
Dec. 13, 2016	Final Approval

Public Outreach

Public Meetings:

April 8, 2016	Open House/Night on the Town
June 10, 2016	Open House/Night on the Town
August 12, 2016	Open House/Night on the Town

Web: www.cityofloveland.org/SouthCatalyst
www.lovelandpartnership.org

City Update: March 2106

Negotiation Review: 14 meetings since Feb. 26

Social Media:
www.facebook.com/DowntwonLoveland

Twitter - @DtownLoveland

Source					
Movie Theater	200,000	100,000	\$90,000		
Commercial CAM	14,000	7,000	\$6,300		
Hotel	2,299,500	22,995	\$20,696		
Residential	42	78,120	\$70,308		
GID 2.76	2.76	6,538	\$18,045		
			\$205,348		
CAM = .50 per square feet					
Hotel based on average daily rate of \$90 per night for 100 rooms at 70 percent occupancy					