

OPPORTUNITY ZONE STEERING COMMITTEE

July 9th, 2019
11:00-12:00 p.m.

Meeting Date

July 9th, 2019

Meeting Participants:

A. Steering Committee

- a. Karen Blumenstein, Rob Brown, Jeff Kraft, Trent Thompson, Kim Woodworth, Benita Duran, Trish Thibodo

B. Staff

- a. Jana Persky, Jamie Hackbarth

Meeting Summary: The meeting was called to order at 11:00am

A. Meeting Minutes – May 28 , 2019

- a. Edits to be made to the date of the minutes, Thibodo motions to approve and Kraft seconded the approval.

B. Program Updates

a. Previous and Upcoming Events

- i. Persky overviewed the events that took place in June. She noted the transition of education curriculum from Opportunity Zone 101 to preparing communities on how to attract equity investors. Persky noted the following events: Part 2 of the Community Workshop with 45 attendees; facilitated a Colorado Municipal League webinar.
- ii. Persky attended the Opportunity Zone National Governor's Association in Annapolis with other state representative. Noted Colorado is well positioned and ahead of other states in terms of state support.
- iii. Kraft shared about the OZ Groundbreaking of the hotel in Colorado Springs. The developer noted that OZ helped attract national capital rather easier.
- iv. Woodworth noted about capitalizing on positive comments to promote the OZ story in Colorado. The idea to utilize quotes to attract investors and press releases and capitalize on these projects to drive the conversation we want to be hearing
- v. Persky shared about investor roundtables, pitch events and large conferences in Denver to happen in Denver.
- vi. Duran asked about law firms engagement with OZs. Persky noted working with firms that have developed a stake in OZs early on, and some have set-up funds for specific projects.

b. Grant Pipeline & Fort Morgan Update

- i. Persky noted grant updated: DOLA awarded a prospectus grant to Prowers County; Fort Morgan gave update on the grant and quarterly report is attached for reference.
- ii. Persky noted Wheat Ridge and Limon applied for an OEDIT technical assistance grant this month. The grants will be reviewed by selected steering committee members this month and final review will happen on August 13th.

- iii. Thibodo gave an update on Delta's grant status, and noted it is in final stages waiting for confirmation of match.

c. Community Support Calls

- i. Hackbarth gave an update on the community support calls with the 11 communities that were conducted over the past month. Highlighted challenges and common themes such as attracting investment and technical expertise. OEDIT will utilize this input and feedback to enhance its program. For example, the development of an OZ consultant corps.
- ii. Hackbarth noted the formal check-ins will take place on bi-annual basis.

C. Discussion – Grant Review

- a. Hackbarth gave initial overview of the grant requested by JeffCo EDC for feasibility study a multi-use development with integrated workforce housing. Overall, reviewed the aspects highlighting community support,
- b. Hackbarth outlined the review call which answered reviewer's questions. The Lakewood growth cap was being voted on during the time of the grant, leading to distant involvement with the City of Lakewood. However, they noted if it passes or not the City would still support it and potentially more.
- c. Thompson noted the applicants explained why affordable housing was not intentionally integrated into the project. The applicants outlined affordable housing is a high-need, but also is the low-middle income housing sector which don't have access to low income housing tax credits (LIHTC), so this would fill a gap and need in the market.
- d. Thompson also noted the county and elected officials do support this grant.
- e. Kraft noted the importance of the partners involved including the 40W Creative District, CDOT and proximity to RTD stop and high transit area.
- f. Blumenstein noted the concerns around the grant noting the limited support illustrated by organizations that should be in support of this (i.e. City of Lakewood) and the feasibility of the project itself.
- g. Blumenstein noted the corner of development (West Colfax & Wadsworth) has been historically a huge gap on the return side and is unclear how Opportunity Zones could make an impact on this. The overall grant is for the analysis about this, and could motivate the city and county to become actively involved.
- h. Hackbarth suggested approving the grant conditional upon the City of Lakewood supporting with a cash match of \$7000 and a letter of support.
- i. Kraft motioned for approval based on conditions Blumenstein seconded the motion. All participating steering committee members approved for the grant to be approved based on the outlined conditions.

D. Discussion - EDC Presentation

- a. Persky overviewed the EDC presentation with the group and asked for feedback
- b. Kraft noted to explain the underspent budget based around hiring personnel slowly.
- c. Brown suggested showcasing testimonials from communities outlining positive value in the support program.

E. Discussion - OZ Consultant Corps

- a. Persky outlined the Opportunity Zone Consultant Corps concept to streamline specific technical assistance for projects supported by communities. This would be separate but complementary to the technical support grants, and for smaller scale requests.

- b. Persky noted conversation with similar concept with OZ DC Community Corps. OEDIT would prequalify experts through an RFQ and communities could come in and take advantage of the process
- c. Brown noted the services are available in the community, however the time and capacity is limited. Brown noted to ensure the vetted consultants are able to respond in a timely manner.
- d. Woodworth asked how to decipher the quality of a contractor within the program, and the important of vetting to decipher different types of contractors.
- e. Blumenstein suggested doing a request for parties that wanted to be listed as sources of assistance and the communities are responsible for evaluating and due diligence. Once, the community selects the consultant, they confirm and would fund the hours they plan to receive. Blumenstein suggested the following services to be offered: finance and investment banking; land/planning/investment attraction/ government navigation.

The meeting adjourned at 12:00pm

June 2019

Morgan County Technical Assistance Grant Centre Point Multi-family Housing Feasibility Study Update

March 25, 2019 – Lexton McDermott entered into agreement with Newmark Knight Frank to perform a feasibility study for the proposed multi-family Centre Point housing project. The cost for this study, \$10,500.

April 2, 2019 -- Received and approved the Grant Purchase Order, that authorized Morgan County Economic Development Corporation to receive \$7,875 to be applied toward the \$10,500 feasibility study.

April 8 2019 – Morgan County Economic Development Corporation releases a press release to the local media, the Economic Development council of Colorado and the Colorado Real Estate Journal. Articles based on the information contained in the release were published in the Fort Morgan Times and on the EDCC's website.

May 30, 2019 – Michelle Volker, First Vice President, Valuation & Advisory, Newmark Frank Knight communicates that responses to her messages are not being returned by local business leaders in a timely fashion, and the June 3, 2019 delivery date for the study needs to be pushed out.

May 31, 2019 – Met with Laprino Foods, Fort Morgan general manager to discuss master lease terms.

June 4, 2019 – Met with Banner Health CEO to discuss master lease terms.

June 4, 2019 – Met with Colorado Plains Medical Center president to discuss master lease terms.

June 5, 2019 – Met with Cargill Assistant Vice President and the Regional Director to discuss master lease terms.