ECONOMIC DEVELOPMENT COMMISSION
MEETING SUMMARY
July 17, 2019
8:30 a.m. – 12:30 p.m.

MEETING DATE
July 17, 2019
Coors Field
2001 Blake Street
Denver, CO 80205

MEETING PARTICIPANTS

A. Commission Members
Carrie Schiff, Benita Duran, Robert Price, Rob Brown, Tom Clark, Denise Brown, Jay Seaton, Karen Blumenstein, David Dragoo, and Chris Franz.

B. Guests
Neal Wieschhaus, RJ Pole, John Bristol, Tony Acri, Melissa Henricks, Pete with Project Moon, Lachlan with Project Mirage. Sam Bailey, Chelsea McClean, Jonathan with Project Yellowstone, Dan Schnepf, Duane Boyle, Carlos Cruz Gonzales, Bob Cope, David Neville, Eric Smith, and Sally Tasker.

C. Staff
Betsy Markey, Jeff Kraft, Sean Gould, Ken Jensen, LeeAnn Morill, Reid Aronstein, Che Sheehan, Jill McGranahan, Andrew Wallace, Katie Woslager, Mariel Rodriguez-McGill and Dave Madsen, Jana Persky, Jamie Hackbarth, Michelle Hadwiger, Max Nathanson, and Virginia Davis .

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the EDC Meeting Summary from the June 20 and July 9, 2019 meetings.

2. The Economic Development Commission approved the following projects/items: **JGITC** – Project Mirage; Project Salvo; Project Yellowstone **SF** – Project Moon; **EZ** – Contribution Projects, Greely Downtown Development; Greeley Area Habitat Workforce Housing; Greeley Habitat ReStrore Building Campaign; Industrial developments, Inc.; Latino Cultural Arts Center; Colorado Ballet; Fisher's Peak Ranch Acquisition; **RJS** – hearOclub; **RTA** – USAFA Project and Resolution No. 3 modificaitons.

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

Kraft introduced our new Commissioner David Dragoo.

Kraft introduced Nathan Fey the current ORec Director.

Meeting Minutes
Clark moved approval of the meeting minutes from the June 20 and July 9, 2019 meetings. R. Brown seconded the motion. Motion passed unanimously.

M/S/P – Clark, R. Brown – Meeting Minutes approved as presented by staff.

B. Job Growth Incentive Tax Credit (JGITC): Michelle Hadwiger

Project Mirage

Hadwiger presented Project Mirage. Project Mirage is an Australian technology company that was founded in February 2017. The company launched its US operations in New Jersey in December 2018.

The company behind Project Mirage has raised significant amounts of capital and is venture-backed. It is also listed on the Australian stock exchange. As the company expands across the United States, its US HQ needs to be re-established to ensure the company is strategically placed for access to top-tier technology talent, competitive tax rates, a business-friendly community, as well as an exceptional quality of life.

The company is relocating a North American headquarters for its engineering, operations, business development, and customer support units. Project Mirage is estimated to employ 211 people over the next eight years at an average annual wage of $86,967, which is above the average wage in any of the counties within the Metro Denver area the company is considering. These jobs will be spread out across management, engineering, business development, sales, and operations. Colorado is competing with Texas, Illinois, Arizona, and New York for Project Mirage.

Staff is requesting $4,144,973 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 211 net new full-time jobs at 100% of the County's AAW the Company decides to locate, in support of this project.

M/S/P - Clark, R. Brown – Project Mirage approved as presented and recommended by staff.

Project Salvo

Hadwiger presented Project Salvo. Project Salvo is an American, Fortune 500 Company that is considering expanding the operations of one of its wholly owned subsidiaries currently located in Colorado. The company behind Project Salvo is a global manufacturer and technology provider founded more than 100 years ago. The company has over 200 manufacturing facilities around the world and has a sales presence in over 150 different countries.

The company's business unit looking to expand was founded in Colorado, currently employs nearly 700 individuals in the state, and manufactures advanced flow measurement devices that serve customers in the industrial, commercial, and residential markets. This project would entail the expansion of the company's manufacturing capabilities as well as the creation of an innovation center where the company could hold demonstrations and trainings for its clients. Should the project occur in Colorado, the 130k square foot expansion would entail a $100M+ capital investment in the construction and outfitting of new facilities. Project Salvo's expansion is estimated to employ 252 people over the next eight years at an average annual wage of $109,250, which is equivalent to 167% of the average annual wage in Boulder County, where the project would likely occur. These jobs will be spread out across management, engineering, sales, and operations.

Staff is requesting $4,279,629 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 252 net new full-time jobs at 100% of the County's AAW the Company decides to locate, in support of this project.

M/S/P – R. Brown, Franz – Project Salvo approved as presented and recommended by staff. Duran abstained from the vote on Project Salvo.

Project Yellowstone

Hadwiger presented Project Yellowstone. Project Yellowstone is a startup with its headquarters and manufacturing presence in Houston, Texas. The company behind Project Yellowstone designs and manufactures water optimizing equipment for consumers to wash themselves or their gear with less than one gallon of water. Their patented products are in demand by the outdoor recreation, military, natural disaster relief, and healthcare industries. Its technology will also serve the 2.3 billion people globally who face highly water-stressed situations. The company has a large initial purchase order from REI CO-OP.

The company behind Project Yellowstone recently graduated from the first Catapult OR (Outdoor Recreation) Accelerator at the ICELab at Western Colorado University. Project Yellowstone is a headquarters relocation project. The project would be a complete transfer of registration, headquarters, and manufacturing positions. Project Yellowstone is estimated to employ 98 people over the next eight years at an average annual wage of $46,357, which is 123% of the average annual wage in Montrose County, which is where the project is being considered within Colorado. Colorado is competing with Texas and Nevada for Project Yellowstone.

Fey said, Project Yellowstone fits the criteria for the ORec office. We have been working with the company and are in support of this request.

Staff is requesting $775,419 in performance-based Job Growth Incentive Tax Credits over an 8-year period. This incentive is contingent upon the creation of up to 98 net new full-time jobs at 100% of the County's AAW the Company decides to locate, in support of this project.

Duran moved approval of Project Yellowstone. Franz seconded the motion.

Schiff asked if this Project was being considered for the RJS program.

Kraft said, yes. Staff is requesting this JGITC but we will also be working with them on and RJS application. So, should the RJS application work out, the EDC could very well see this project at a future meeting requesting entrance into the RJS program if it works for them. At which time, we will have the company forgo the JGITC, per the statute and move forward with RJS.

Blumenstein said, in the contingencies for this Project that was provided by staff, it talks about the need for the Company to obtain $300k in funding by July of 2019. Can you tell us where they are at on this contingency or do we need to consider changing the date on that.

Jonathan said, he can project confidently that the $300k will be obtained by the end of July. We do still need to have some continued discussions but the investor has provided a significant amount of funds already and the completion of that delivery will complete well before the end of July.

Kraft said, we are giving them a little temporal flexibility, explicitly on that.

Schiff asked if the EDC was comfortable with the approval without the three contingencies. So the request would be that by the end of 2020 any combination of debt equity and or grant funding in the amount of $770,000 will be raised without meeting the milestones.

The EDC was amenable to that language.

Blumenstein amended the motion. Moving approval so the Company has made a report on progress towards achieving $770k in funding in any combination of debt equity and or grant funding by April 230, 2020 with closing on the full amount of $770k by December 31, 2020. R. Brown seconded the motion.

Motion passed unanimously.

M/S/P – Blumenstein, R. Brown – Project Yellowstone approved as amended by the Commission. Dragoo recused himself from the vote on Project Yellowstone.

Update of Previously Approved Projects
Hadwiger said ViewRay choose Colorado and announced their presence in a press release yesterday. ViewRay was approved for a JGITC in the amount of $9,006.832 for the creation of up to 274 net new full time jobs.

C. Strategic Fund (SF): Sean Gould, Michelle Hadwiger, Jana Persky
SF Fund Balance Forecast
Gould provided the SF Fund Balance which shows a current available balance of $5,560,235.

Project Moon
Hadwiger presented Project Moon. Project Moon's parent has developed and licenses a modular manufacturing system for healthy, durable, energy efficient and sustainable homes targeted at solving the affordable housing crisis in the United States. The company behind Project Moon is a Public Benefit Company (with a pending B-Corp certification) with a mission to revolutionize the building industry by producing dwellings that not only better their occupant's health and well-being, but simultaneously improve the health of the environment and empower community. The company's focus is on taking unskilled and disadvantaged labor and working to train them into a trade, and runs internal training programs that work in concert with local community colleges and trade schools to move individuals through an introductory period and then through apprenticeship to journeyman status. Its priority hiring focuses on veterans, women and people of color to provide new career paths. The company has been recognized nationally as a leading solution to the affordable housing crisis and was recently recognized as one of the top three solutions for housing affordability in the country by the Ivory Foundation, the Harvard Joint Center for Housing Studies and the Terner Center for Housing Innovation at UC Berkeley. The company is currently located in Idaho. The company behind Project Moon is seeking to open its second factory in 2019. Project Moon has community support from various financial, non-profit, and local economic development officials throughout the state.

The project will take the form of a Colorado 501(c)3 non-profit organization which will license the manufacturing system from the parent and this local non-profit will build and sell modular homes in Colorado, which is contingent on receiving State and local incentives. The jobs being incentivized will be hired by the non-profit, which will be managed by a board of directors, most of which will be individuals from the Colorado community. The parent company behind Project Moon is considering the same subsidiary non-profit ownership model in all other markets. If Colorado is selected the factory will be capable of producing up to 1,000 homes per year. Project Moon would involve the creation of 171 net new full-time jobs in Colorado with an average annual wage of $52,874. Colorado is competing with Florida and Virginia for Project Moon.

Project Moon is eligible for a maximum of $684,000 in State matching funds from the Strategic Fund. In addition, given the startup nature and currently unfunded structure of the proposed non-profit project, in order to assure adequate progress on the project occurs, no state incentive shall be given until 70% of the project's projected fundraising, or $770,000, has been raised by year-end 2020 and confirmed by OEDIT.

Staff is requesting $684,000 in a performance-based Strategic Fund incentive for the creation of 171 net new full-time jobs at $4,000 per net new job, at an average annual wage of $50,169.60, or 100% of the County's AAW the Company decides to locate, in support of this project.

M/S/P – Duran, Franz – Project Moon approved as amended by the Commission.

Opportunity Zone (OZ) Program Update
Persky and Hackbarth presented the Opportunity Zone Program Update.

Persky and Hackbarth provided background of the Opportunity Zone Program. The Mission of the program is to position Colorado as a leading destination nationally for capital investment in Opportunity Zones, and use this investment to benefit distressed communities. Since its inception, staff has been working on the Designation of the 126 OZ across the state. Staff has spent a lot of time spreading the word to investors, community leaders, business owners and other stakeholders through workshops and other events. To date, we have held over 50 events reaching 2500 people since October of 2018. These events were key in educating and empowering communities to understand how OZ works and the benefits of the OZ program. Our Community Support Grants application went live in March of this year. We have close to a dozen communities that are close to finishing their Community Prospectus. This is a good organizing feature for telling the story of your community and working to identify projects and show why those projects should grow and why they should benefit from this incentive. We have set up a website, www.co-invest.co, which helps capital and projects find each other.

The EDC thanked the staff for their great work on this program to date.

D. Enterprise Zones (EZ): Sonya Guram
Guram presented the following EZ Contribution Projects for approval.

Enterprise Zone	Project Name	Project Type	Project Category	Completion Date	Project Budget	1 yr. Projected Credits
Weld County	Greeley Downtown Development	Operations	Economic Development Org	12/31/2024	$350,000	$7,875
Weld County	Greeley Area Habitat Workforce Housing	Capital Campaign	Workforce Housing	12/31/2024	$4,300,000	$139,625
Weld County	Greeley Area Habitat ReStore Facility	Capital Campaign	Community Facility	12/31/2024	$2,750,000	$162,500
Mesa County	IDI 2020-2024	Operations	Economic Development Org	12/31/2024	$28,900	$50,000
Denver	Latino Cultural Arts Center - Operations	Operations	Visitor Event/Attraction	12/31/2024	$100,000	$20,625
Denver	Colorado Ballet	Operations	Visitor Event/Attraction	12/31/2024	$15,000,000	$731,250
South Central	Fisher's Peak Ranch Acquisition	Capital Campaign	Tourist Attraction	12/31/2024	$25,450,000	$500,000
TOTAL					**$47,628,900**	**$1,604,000**

M/S/P – D. Brown, Price – EZ Contribution Projects approved as presented and recommended by staff.

E. Rural Jump-Start (RJS): Jeff Kraft, Ken Jensen
Jensen presented hearOclub.

hearOclub is a hearing aid battery subscription service. They offer services related to all aspects. Their members receive a shipment of hearing aid batteries delivered to them bimonthly. They also offer a very high level of customer service. HearOclub was engaged in business development, not selling a product or creating inventory, at the time they submitted their application to the Rural Jump-Start program.

hearOclub is working with Colorado Mountain College under a signed business incubation program license agreement that anticipates partnering internship and employment opportunities for CMC students. OEDIT's assessment is that the relationship and activities described in the Business incubation license agreement 1) align the New Business with the academic mission of the state institution of higher education, and 2) will result in positive benefits to the community and the local economy, per the requirements of the statute.

hearOclub passed the competition clause despite competing in the same product and geographic markets as other competitiros because it passed the firm characteristics ("Core Function" and "Substantially Similar") tests. The route to passing the clause has been part of the program policies and procedures but this is the first tine this route to passing the competition clause has been used.

The company's forecast of new hires meet the program and statutory requirement of at least one New Hire at end of the first full calendar year, and 5 New Hires in the third full calendar year and beyond.

Staff is requesting approval of hearOclub for the RJS program with an allocation of 8 new hires.

M/S/P – Clark, Duran – hearOclub approved as presented and recommended by staff.

F. Regional Tourism Act (RTA): Jeff Kraft, Ken Jensen, Che Sheehan
Jensen presented the project monitoring update.

Aurora/Gaylord Key Next Steps
- Staff is waiting for proposal from Aurora regarding future proposal on future ongoing quarterly reporting.

Pueblo/PBR University Key Next Steps
- Determine what ongoing reporting is needed.

Colorado Springs/City For Champions Key Next Steps and Immediate Issues
OEDIT compiling all modifications into one master amended resolution. Working closely with Attorney General to work on specific resolution language.

- UCCS - OEDIT Staff reached out to Charlie Sweet regarding progress towards spending $16.87 M before the October 31 deadline. Charlie Sweet responded on progress toward this goal which was included in the 7/9 Board book.
- USAFA - The master lease is anticipated to be released to the State in 2019. OEDIT staff met w/ bond counsel on 6/12 regarding timing and format of proposed resolution modifications. Developers to present on status at this meeting.
- Downtown Stadium - OEDIT staff updated letter on milestones to reflect received documents for the outdoor stadium component confirming milestones for the CSEC Project Element. See board book for more information.

NCRTA/Go NoCO Key Next Steps and Immediate Issues

NCRTA working to provide audited annual report per statutory requirement (see letter to NCRTA Chair). See board book for articles on planned tourism projects.

- Peligrande – Outline next steps for project.
- Whitewater Park and Hotel Waterpark – OEDIT/AG revising resolution and then will need feedback from NCRTA and looking for feedback on Kraft letter regarding annual report.
- Stanley Film Center - OEDIT staff provided written resolution to NCRTA/SFC. OEDIT staff met with the SFC on June 14th to address specific resolution language.
- There will be some procurement issues for the Stanley Film Center to review and resolve in the near future.

Denver/NWC Key Next Steps and Immediate Issues

- OEDIT working with project on Intergovernmental agreement between DURA and Denver. Also working on proposal for Commencement of Substantial work which will be presented at a future meeting.

Denver/NWC

Kraft noted for Aurora/Gaylord they have presented and we have reviewed and made a few tweaks on their process for reporting and certifying their eligible costs process. They are going to have an independent accountants report and certify construction related costs. We wanted you to see the documents provided and ask if there are any questions.

Hearing no questions, we moved to the next item.

Pueblo/PBR

Acri introduced Henricks who provided an update on the facilities activities.

We are planning at least 15 sports camps targeted in the first year of operation to come through the center. Bull riding, bronc riding, barrel racing, baseball, wrestling, soccer, volleyball, football, etc. Partnership agreement with the Pueblo Bulls hockey team has been signed and training is scheduled to start in August.

Yoga will be run by Studio Share, a local business in Pueblo, which will now operate out of the SPC as of August 1.

Pueblo area memberships to open in late summer 2019 focusing on local area athletes.

So far, we have completed four events already completed since opening. The multi-sport camp held in May prior to the grand opening which hosted athletes from bull riding, baseball, soccer and more. 22 athletes in attendance, both local and from outside of Colorado.

The 3-day Soccer camp featuring Ahj Roberts, Canadian Adidas Ambassador and trainer to stars from the US, Canada, Germany, Italy and more, in June with 27 local athletes in attendance.

A 1-day football camp with defensive end for the LA Rams, Morgan Fox and wide receiver specialist David Robinson who trains Antonio Brown from the Oakland Raiders and Emmanuel Sanders of the Denver Broncos. 35 athletes in attendance.

The PBR Town Hall took place in June held at the Sports Performance Center with all local employees in attendance, broadcast to all remote employees across the USA and three of the highest level executives from Endeavor in attendance. We've also had multiple visits from Endeavor executives over the last few months.

We have three more events scheduled to take place before mid-August.

- June 24-26: PBR's annual sponsor summit with approximately 75 current PBR sponsors in attendance. Previously this summit has been held around live events in cities such as Nashville and now will take place annually in Pueblo at the Sport Performance Center.
- July 29-31: 3 day Mental Toughness training put on by Western Sports Foundation with an expected 15-20 Bull Riders in attendance and 7 speakers including 6 from outside of Pueblo.
- Jan - Feb, 2020: NFL Combine Training. 8 week training camp with 5-7 NFL hopefuls.

Potential partnerships with CSU Pueblo and Colorado Switchbacks currently in discussion.
Rehab and recovery will be led by Chris Knott who has been imperative in the success of Super Bowl 50 MVP Von Miller and Odell Beckham Jr.

Henricks introduced Antwon Burton, executive director of PBR Sports Performance Center.

Burton provided some information on the events that have taken place and future events noted by Henricks.

Colorado Springs Milestones
Sheehan walked the EDC through the documentation provided by Colorado Springs that demonstrates their progress toward Commencement for the Sports and Events Center noting those that are marked complete and highlighted. The letter received for 14(o) has a typo and is listed as 13(o). Staff is confirming that the letter provided for this Milestone is for 14(o) and has been met. In addition, and although this was not a part of the listed Milestones, the project element provided a certificate of formation for the City Gate Stadium, LLC which will be critical going forward on that site.

Colorado Switchbacks Weidner Stadium

Milestones toward Commencement	Expected Documentation	Milestone	Complete?
In November of 2013, the Ragain family signed onto the City for Champions application as a primary tenant by investing $4,000,000 to buy a USL Championship Franchise for the Colorado Springs market, and improve an existing soccer field into a stadium for a temporary home.		1(o)	
Between September 2014 and December 2018, the Ragain family invested $4,000,000 above operating revenue to establish the franchise, improve the temporary facility, and maintain a Championship level franchise with the need for a long term stadium home as part of the City for Champions stadium project.		2(o)	
In March of 2018, Switchbacks FC (SFC) and Weidner Apartment Homes (WAH) partnered via of Letter of Intent to propose a combined $60,000,000 mixed-use stadium and complementary housing & retail development at the City Gate property in downtown Colorado Springs. In June 2018, SFC and WAH signed a Letter of Intent to form a new partnership to build the stadium and develop a sustainable business plan for the stadium. In February 2019, a final binding contract was signed.	OEDIT staff to review executed documents and maintain confidentiality of business proprietary information.	3(o)	
In April of 2018, City Administration endorsed the SFC/WAH proposed plan and began coordination meetings with Colorado College.		4(o)	
In May of 2018, WAH contracted with the Lane Foundation for $5,000,000 to secure the City Gate property (stadium site) pending EDC & OEDIT approval.	OEDIT to obtain copy of executed contract.	5(o)	X
In June 2018, a Stadium Naming Rights Agreement was also secured with WAH.	OEDIT to obtain copy of agreement.	6(o)	

In October of 2018, the Colorado Springs Switchbacks completed negotiations and agreed to the proposed Articles of Incorporation and By-Laws of the Colorado Springs Sports Authority. The purpose of the Authority is to assure compliance with RTA Resolution No 3. regarding the Colorado Sports and Events Center project.		8(o)	
In October 2018, after a competitive process, the Colorado Springs Switchbacks selected Design/Build team GE Johnson / Perkins & Will Architects to construct the stadium as part of a design/build process for design and administrative costs of $1,000,000.	OEDIT to obtain copy of RFP and key pages from contract including signatures.	9(o)	
In November 2018, UMB agreed to finance the stadium project utilizing a pledge of two thirds of the CSEC MEAP, approximately $18.5 million, to secure the issuance of bonds or the encumbrance of debt (subject to final underwriting).	OEDIT to obtain copy of bond documents.	10(o)	
In December 2018, SFC in coordination with RMAC, Sports Corp, and UCCS to host the 2021 NCAA DII Men's and Women's soccer finals.	OEDIT to obtain copy of document.	11(o)	X
In early 2019, SFC and the design/build team will have completed schematic design.	OEDIT to obtain copy of document.	12(o)	
In January, and as part of the design/build agreement, the Switchbacks have hired NES Consulting for planning services and community engagement.		13(o)	
In January, 2019 the Colorado Springs Switchbacks attest that $250,000 has been expended toward development and pre-development activities consistent with the commencement of substantial work to date and $1,000,000 has been committed to the design/build contractor.	OEDIT to obtain certification from SFC ownership or CFO	14(o)	X
The consummation of a written agreement between the Colorado Springs Switchbacks and the Colorado Springs Sports Authority thereby creating a contractual obligation for compliance with Resolution No. 3 and the associated approved Business plan. - OEDIT recommends that OEDIT and the EDC review draft of agreement before executed to avoid re-work. - Agreement should contain minimum availability days each year for business plan programming. - The agreement allows enforcement mechanisms for the Colorado Sports Authority to enforce the business plan with SFC including suspending or canceling disbursements of Dedicated Revenue from the Colorado Springs Urban Renewal Authority to SFC or bond holders. - The agreement shall describe the Weidner Stadium facilities and how these facilities satisfy the required minimum size requirements in Exhibit B.	OEDIT and the EDC to obtain, review, and approve final executed agreement.	15(o)	
Two-thirds of the CSEC MEAP, approximately $18.5 million, is pledged to the issuance of bonds or to the encumbrance of debt from which the proceeds are used to pay for eligible costs associated with Weidner Stadium as the outdoor venue component of the CSEC project element.	OEDIT to obtain formal bond/pledge document obligating the funds to pay the debt and associated documents including bond counsel opinion and independent financial advisor to verify interest rate.	16(o)	

The applicant has designed the Colorado Sports and Event Center outdoor stadium facilities such that they satisfy the approximate and minimum size requirements listed in Resolution No. 3 Exhibit B.	EDC to obtain design summary and formally approve that it satisfied Exhibit B. Also expressly approve any needed minor modifications to approximate and minimum size requirements.	17(o)	

Colorado Springs/USAFA
Kraft introduced Dan Schnepf with USAFA to provide an update on progress.

Schnepf reviewed progress on the following project items, the concept development plan initial phase, visitors center floor plans, visitors center oblique's, visitors center sections, the finance structure, the sources and uses of funds, and the impacts of the project.

Cope talked about the economic impacts of these projects. From the construction of this project we are looking at approximately 1,800 jobs during construction. We are also looking at approximately 1,200 permanent jobs for the ongoing operations. This is going to grow our local economy over 25 years by about $2.5B and contribute about $103M per year. This is all net new.

Schnepf is requesting the following amendments to Resolution No. 3

1. The Visitor's Center will not be required to include a restaurant
2. The Visitor's Center's sub-total minimum indoor square feet may be reduced from 32,000 square feet to 27,300 square feet, based on the elimination of the restaurant.
3. The size of the Polaris Plaza may be reduced from approximately 15,000 gross square feet to approximately 10,000 gross square feet.
4. The required total gross square feet is reduced from 47,000 square feet to 37,300 square feet.

Kraft said, just today Schnepf mentioned one of the elements that you envisioned on Polaris Plaza you're retaining but moving in a slightly different direction. Can you tell us about that?

Schnepf said, based on the split in visitors that go use a trail head versus who might go into the Visitors Center is significantly different. We think it's a great opportunity, and we haven't desiged it yet, but we have the 24,000 sf requirement at the trail head to capture the history of the site. The Native American experience all the way through to the ranchers and all the others that have been insrumental in the AFA site. When you look at the history of the site it's a little incongruent with what we're trying to do inside the facility.

Kraft said, to clarify, part of what you might have originally thought might be under Polaris Plaza is retained but moved to a different section of the site.

Schnepf said, that is correct. Polaris Plaza is the platform around the Visitor's Center Facility. We're not losing any of the quality of the Plaza, we are just making it more appropriate to the site and we're going to get some engineering advantage from that.

Schnepf introduced Duane Boyle, and Carlos Cruz Gonzales who talked about the vision and the design of the project.

D. Brown said, taking out the food service from the Visitor Center sounds counter intuitive. So, the people from the Visitor Center will have to leave it and go to one of the hotels for food, which means they are going to have to go outside.

Schnepf said, actually the primary food service will not be from the hotel but from the 20,000 sf of food service and retail right next to the Visitors Center. We will be allowing conferencing and catering in the facility but there will not be any vendors.

Kraft said, our default mode of operations is what was promised needs to be built. However, we have made some changes in scale and scope before. We've done it in some instances for Denver/NWC and we've contemplated some for the Sports and Events Center. The two principles to me that are key are, will the project still drive the net new out of state visitors and two is it still unique and extraordinary. This AFA Center was the least guardrailed of the projects because it gets the least amount of revenue. One of the things that we did for the Olympic Museum was we said that it had to be iconic and world class and it had to be certified as such. We did not say that for the AFA Center but they've done that. So in that sense, they exceeded the guardrails we put on them. For this project, the draw is not the cafeteria. Originally this was contemplated as a stand-alone visitors center and therefore you needed a cafeteria to make it a functional visitors center. Now they've spread the retail out near by so you still have that service, it's just not physically part of the center.

D. Brown said, my issue is the 20 percent decrease in the commitment on the delivered square footage.

Kraft said, it's the restaurant space that's taken out. They are not changing the exhibit space. They are still going to have a gift store. They are basically shrinking it to account for not having a restaurant. They are not shrinking any of the other natures of the exhibit.

Cope said, as the applicant, we support these changes and agree they will not negatively impact the net new out of state visitors or revenue or the unique and extraordinary nature of the project.

Kraft said, this project will also be coming back at a future date on a few other issues. If you recall, the Commencement deadline was extended for a year and we are now in that "time is of the essence" mode on Commencement for this project. If you look at the map of the zone, because this was not a part of the application, this area is technically not in the collection for the zone, which is allowed by the statute. Even if the restaurant is not in the Visitors Center, they are not relying on collections in the zone to drive the increment.

Schiff called for a motion.

R. Brown said, In regard to the Air Force Academy Visitor's Center RTA City for Champions Project Element, based on the testimony that we have heard here today from OEDIT staff, the Applicant and other parties affiliated with the project and the July 10, 2019 letter from Dan Schnepf, the proposed changes described below to the Air Force Academy Visitor's Center will not negatively impact the net new out of state visitors or revenue into Colorado associated with this Project Element, or diminish the unique and extraordinary nature of the Project. Additionally, the Air Force Academy Visitor Center is not even in the Colorado Springs Regional Tourism Zone, it is outside the Zone and the intended impact is for the Visitor's Center to draw net new visitors to hotels, retail and restaurants that are within the zone. I therefore move that we approve that:

1) The Visitor's Center will not be required to include a restaurant.
2) The Visitor's Center's sub-total minimum indoor square feet may be reduced from 32,000 square feet to 27,300 square feet based on the elimination of the restaurant.
3) The size of the Polaris Plaza may be reduced from approximately 15,000 gross square feet to approximately 10,000 gross square feet.
4) The required total gross square feet for the center is reduced from 47,000 square feet to 37,300 square feet.

We further direct OEDIT staff and legal counsel to work with the City of Colorado Springs, the Project Element Sponsor and Developer and the Colorado Springs Urban Renewal Authority to memorialize this modification in a written amendment to Resolution No. 3, including Exhibit B, to be adopted by the EDC *nunc pro tunc* at a later meeting. Franz seconded the motion.

Schiff asked if Commissioners had any other questions or comments.

Blumentstein said, you're showing an issuance in October which permits you to start construction of public infrastructure in November. Are you comfortable that's a good date for issuance and if that slides does the November date slide?

Schnepf said, I think there has been a determination on substantial start being the issuance of bonds.

Kraft said, yes. In this case the way the bonds will be structured and the way the money will be maintained from the bonds to pay for the Visitors Center, all of the contracts, all the enhanced use lease with the AFA, all these collective factors being done, the bonding would constitute Commencement, hence time is of the essence. We will come back to you to deep dive on the bonds and a few other related issues.

Duran asked what the reference to Exhibit B is.

Kraft said, if you look at Resolution No. 3, provided to you in your board book for reference, section 6 page 93, you'll see on page it shows the minimum of what has to be built to satisfy the project.

Schiff asked for public comment for the motion on the table. Hearing none, Schiff called for a vote.

M/S/P – R. Brown, Franz – Project and Resolution No. 3 Amendments approved as presented and recommended by staff.

G. Other: Ken Jensen, Sean Gould, Katie Woslager, Carrie Schiff
Transferrable Tax Credit (TTC) Program Update
Jensen provided a TTC program update.

Given that we have just entered the new fiscal year, the EDC now has the authority to issue another $10 million in precertifications. If the projects for Evraz and VF Corporation proceed as planned, Evraz will receive a precertification of $6.9 million this fiscal year (for a total of $17 million), and VF Corporation will receive a precertification of $3.1 million this fiscal year (for a total of $13 million). These two precertifications total $30 million, which is the statutory maximum. OEDIT expects that the next major development in the Transferable Tax Credit program will be the confirmation of the SCI for VF Corp in early autumn.

OEDIT met with VF Corporation late in April. VF Corporation has signed a lease for the property in downtown Denver, which is expected to satisfy their requirement to make a Strategic Capital Investment. This should be documented in VF's June 30th 10-Q. Once OEDIT has had the opportunity to review the 10-Q, OEDIT expects to bring this issue to the EDC for next steps.

Project 5000 needs to complete an engineering study before they can make a determination as to whether to commit to their project. Their goal is to finish this engineering study by December of 2019, then present the study to their board for the "Go/No Go" decision. Therefore the "Go/No Go" decision is expected in early 2019.

EDC Budget
Gould provided an EDC Budget update which shows a current balance of $5,743,235 available for future projects.

AI Budget
Woslager provided the AI Budget update which shows a current remaining balance of 5,741,932

Next Meeting
The next meeting will be on August 15, 2019.

With all items discussed, the meeting was adjourned.