

Greeley City Council Agenda

Special Work Session

Wednesday, November 20, 2024 at 9:00 AM

City Council Chambers at City Center South, 1001 11th Avenue, Greeley, CO 80631

via Zoom at: <https://greeleygov.zoom.us/j/82668923799>

NOTICE:

City Council Meetings are held on the 2nd and 4th Tuesdays of each month in the City Council Chambers. Meetings are conducted in a hybrid format, with a Zoom webinar in addition to the in-person meeting in Council Chambers.

City Council members may participate in this meeting via electronic means pursuant to their adopted policies and protocol.

Members of the public are also invited to view Council work sessions in person or remotely. **Work Sessions do not include public input in any format. Public comment is only permitted at regular Council meetings on the 1st and 3rd Tuesdays of each month.**

Watch Meetings:

Meetings are open to the public and can be attended in person by anyone.

Meetings are livestreamed on the City's website, Greeleygov.com as [Youtube.com/CityofGreeley](https://www.youtube.com/CityofGreeley) as well as over Zoom webinar. Public participation in the Zoom webinar only allows viewing the meeting.

Meeting agendas, minutes, and archived videos are available on the City's meeting portal at <https://greeleyco.portal.civicclerk.com/> For more information about this meeting or to request reasonable accommodations, contact the City Clerk's Office at 970-350-9740 or by email at cityclerk@greeleygov.com If you need the following documents in an alternative format for accessibility purposes, please contact the City Clerk's Office at cityclerks@greeleygov.com or 970-350-9740.



Mayor

John Gates

Councilmembers

Tommy Butler - Ward I

Deb DeBoutez - Ward II

Johnny Olson - Ward III

Dale Hall - Ward IV

Brett Payton - At-Large

Melissa McDonald - At-Large



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1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. West Greeley Project Update
5. Adjournment



Special Work Session Agenda Summary

Item: 4.

November 20, 2024

Key Staff Contact: Rachel Flynn, Deputy City Manager

Title:

West Greeley Project Update

Background:

This discussion will provide the City Council with greater details of the West Greeley Project, a significant mixed-use, transit-oriented development in collaboration with The Water Valley Company. An initial presentation was provided to Council on November 12, 2024. The project aims to bring economic growth and enhance Greeley's community by creating new opportunities for local businesses, residents, and visitors. This discussion will cover project design, planning, infrastructure, financial structure, and timelines for future actions.

Strategic Focus Area:

Business Growth
Community Vitality
Infrastructure and Mobility
Quality of Life

Attachments:

None



West Greeley Project Update

November 20, 2024



Agenda



- Project Vision & Concept
- Planning, Design, and Infrastructure
- Finance and Funding
- Timeline Overview
- Questions

Opportunity

- Represents an investment of over \$1 billion
- Drives economic growth and prosperity
- Develops interesting experiences, unique opportunities, and exciting places
- Creates an epicenter that produces an economic ripple effect, attracting even greater investment
- Blends Greeley's unique heritage with sustainable and smart growth
- Fosters a high quality of life for residents
- Elevates Greeley's status in the region and changes perceptions of investors and developers
- Shifts the center of gravity in Northern Colorado
- Creates over 4,800 construction jobs over a two-year period and over 850 permanent positions during operation

Vision

- The West Side Project aspires to serve as a blueprint for the future community-centered development and delivers an activated and appealing destination for the Greeley community.
- The West Side Project will be a catalyst for economic growth while providing cultural, social, financial, and environmental benefits to the community.
- The West Side Project will serve as a regional and state attraction for entertainment, retail, and social activity
- The West Side Project elevates Greeley's status in the region and invites new investors and developers to Greeley

Concept

- West Side Project is envisioned to be a vibrant mixed-use, transit-oriented entertainment district - focused on four major venues:
 1. Eagles Arena
 2. Youth Hockey Center
 3. Water Park
 4. Hotel and Convention Center
- It will create retail opportunities, enhance public transportation options, create new employment opportunities, and generate tax revenue to make a lasting impact on Greeley

West Side Project



Site Plan



1. Arena & Youth Hockey Center
2. Plaza
3. Resort & Spa
4. Waterpark
5. Conference Center
6. Cascadia Falls
7. Intermodal Hub & Parking
8. 131st Ave. Overpass & Center Loading Bus Station
9. HWY 34 & CR 17

Cascadia | Master Development

ENVISIONING THE CENTER OF GRAVITY OF NORTHERN COLORADO



LIVE, WORK AND PLAY

1K

ACRES OF
DEVELOPMENT

6K

RESIDENTIAL UNITS

3.5M

SQUARE FEET OF RETAIL
AND COMMERCIAL



FAST FACTS

- **So Bold:** A transformative vision redefining Greeley's landscape
- **Epicenter of Awesome:** A vibrant destination for living, working, and playing
- **Sending Shock Waves:** An unparalleled master-planned community in Northern Colorado
- **Celebration of Water:** Emphasizing natural resources and outdoor activities
- **Changing the Narrative:** A new story focused on growth and potential
- **Inclusive and Connected:** Diverse housing options prioritizing affordability and safety

The West Side Ice Center

WEST SIDE ARENA AND YOUTH ICE CENTER



8.6K
HOCKEY SEATS

10K
CONCERT SEATS

50K
SQUARE FEET VERSATILE
COMMUNITY SPACE

04
NHL- REGULATION
HOCKEY RINKS

FAST FACTS

- 8,600-seat main arena and 1,500-seat secondary arena
- Four NHL-regulation hockey rinks, including two auxiliary rinks
- 32 private suites for an elevated viewing experience
- 16 auxiliary locker rooms for teams and events
- Activated outdoor terrace with views of Longs Peak
- Multiple premium clubs and lounges on all levels
- Exclusive premium entry and parking for VIP guests
- Wide variety of food, beverage, and retail options
- Grand lobby with seamless access to the public plaza
- Mezzanine with views of youth hockey rinks
- Eagles team store and pro shop serving all rinks
- Open concourses with clear views of the action
- Dedicated media and press level for seamless broadcast access

Rocky Mountain Grand Resort Waterpark

100K

SF INDOOR YEAR-
ROUND WATERPARK

350K

ANNUAL VISITORS
PROJECTED

351

GUEST ROOMS WITH
MODERN AMENITIES

18K

SF OF FULL-SERVICE
CONFERENCE SPACE



FAST FACTS

- Expansive 100,000-square-foot indoor waterpark with year-round access
- Retractable roof for an open-air experience on warm days
- Exciting water attractions including multiple tube slides, headfirst mat racing slides, and thrilling body slides
- FlowRider surf simulator for endless wave-riding fun
- Relaxing lazy river winding through the park
- Large, multilevel interactive children's play structure with water sprays and mini-slides
- Enjoy a variety of dining experiences, including a poolside Tiki Bar for relaxed refreshments and cabanas
- Creative event programming
- Party rooms with prime views of the waterpark, perfect for celebrations

Cascadia Falls

20
ACRE PARK

5
ACRES OF SYNCHRONIZED
WATER LIGHT SHOW

2K+
CAPACITY
AMPHITHEATER

100+
VERTICAL FEET OF
CASCADING WATERFALLS

FAST FACTS

- Iconic bridge views and a waterfall-lined create a scenic entryway
- Winding trails offering scenic views and connections to nature
- Sustainable Xeric landscaping
- Stunning setting for an afternoon picnic

- A year-round landmark offering a dynamic destination for exploration, relaxation, and entertainment
- Links to the broader trail system, including the Poudre River Trail

Planning, Design and Infrastructure Team



Bhooshan Karnik
Deputy Director,
Public Works



Will Jones
Deputy Director,
Public Works



Sean Chambers
Director, Water &
Sewer Utilities



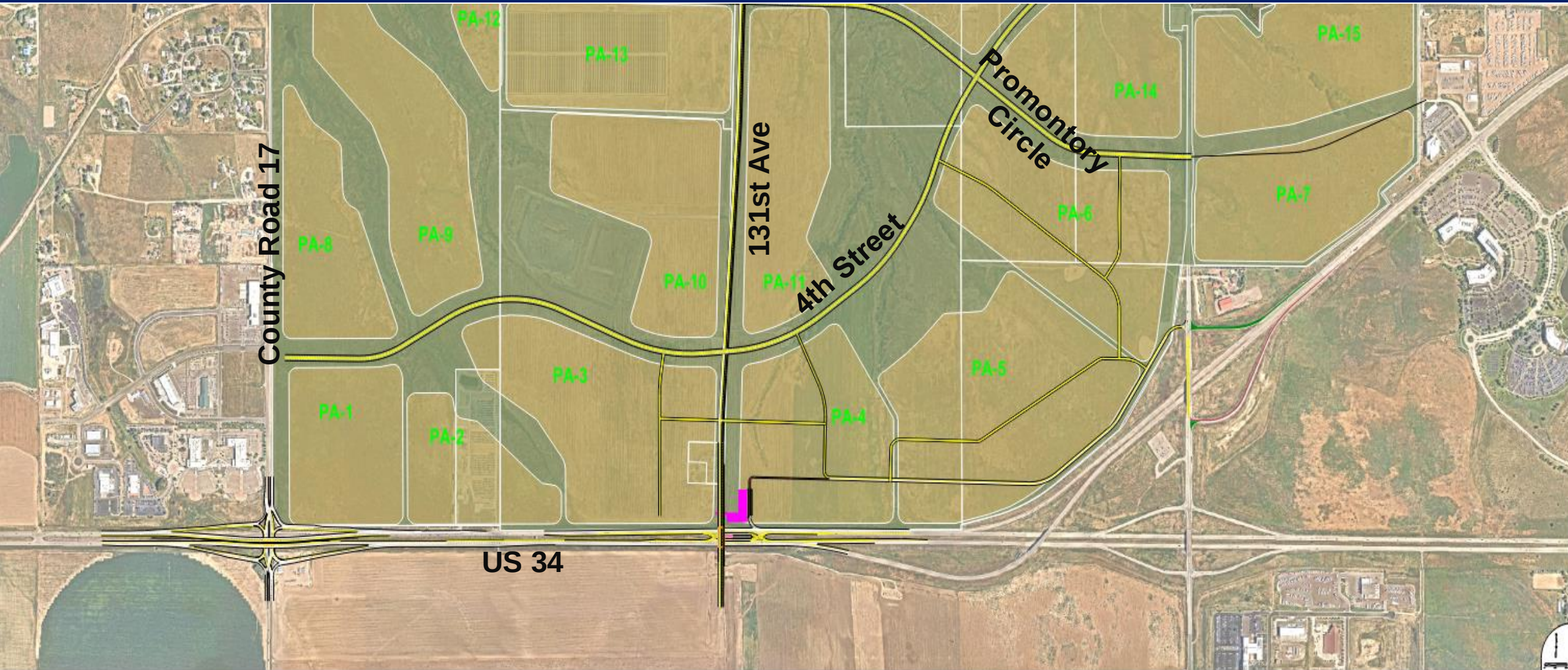
Brian McBroom
Director, Community
Development

Mobility & Infrastructure



- **Intermodal Mobility Hub**
 - Regional and Intercity Service
- **Highway 34 and County Road 17**
 - Interchange and/or Continuous Flow Intersection (CFI)
- **Internal Street Network**
 - 4th Street
- **Central Utilities Plant (CUP)**

Site Connectivity



Water Supply & Raw Water Requirements



- Foresight in acquiring raw water prior to growth positions the city well
- Greeley has ample water supply in reserve to meet the service requirements
 - Water requirements for entertainment is approximately 605 Acre Feet / Yr.
- Raw Water or Cash-in-lieu of raw water will be required for service
- Treatment and transmission capacity is available to meet added demands
- The expansion of our water distribution system, non-potable system and wastewater systems will need to be undertaken early in the project

Treated Water Transmission



- 4 transmission mains connect onsite
- Boyd Lines to be relocated to avoid conflicts
 - 36" and 27" run through the project
- 60" extension from Hwy 257 at the Poudre River to be constructed in 2025

Greeley Water Transmission Mains Overlay on West Greeley

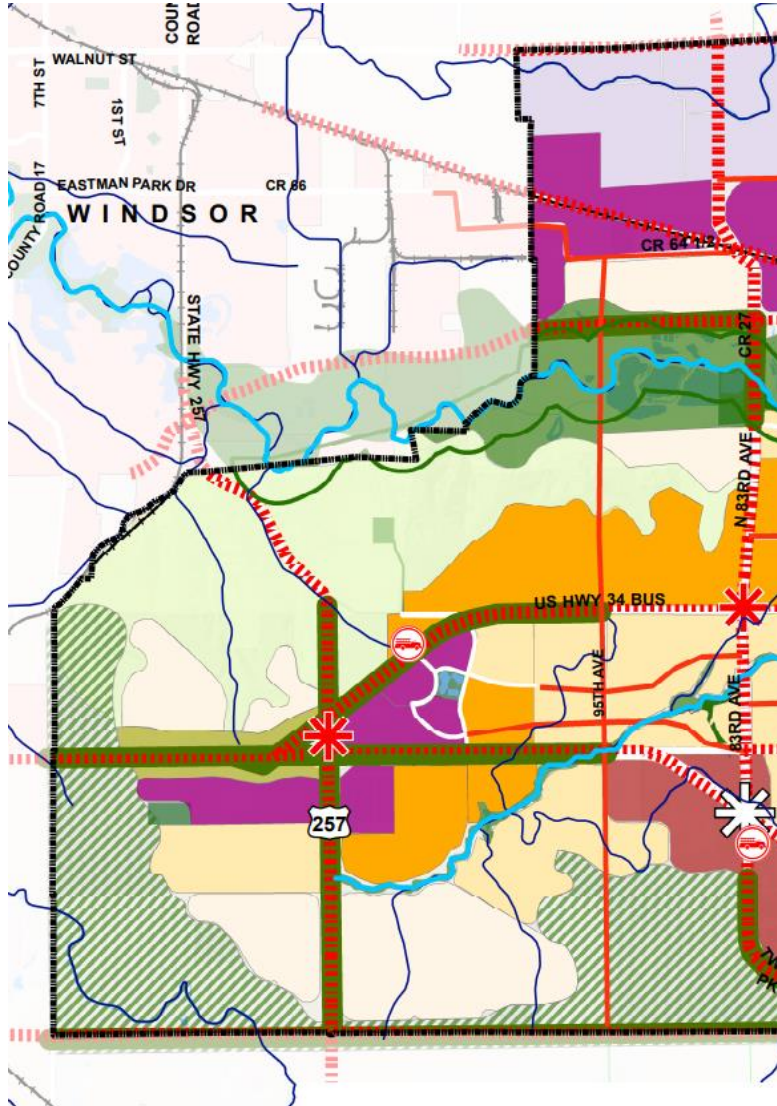


Water Distribution, Non-potable and Sewer Collections



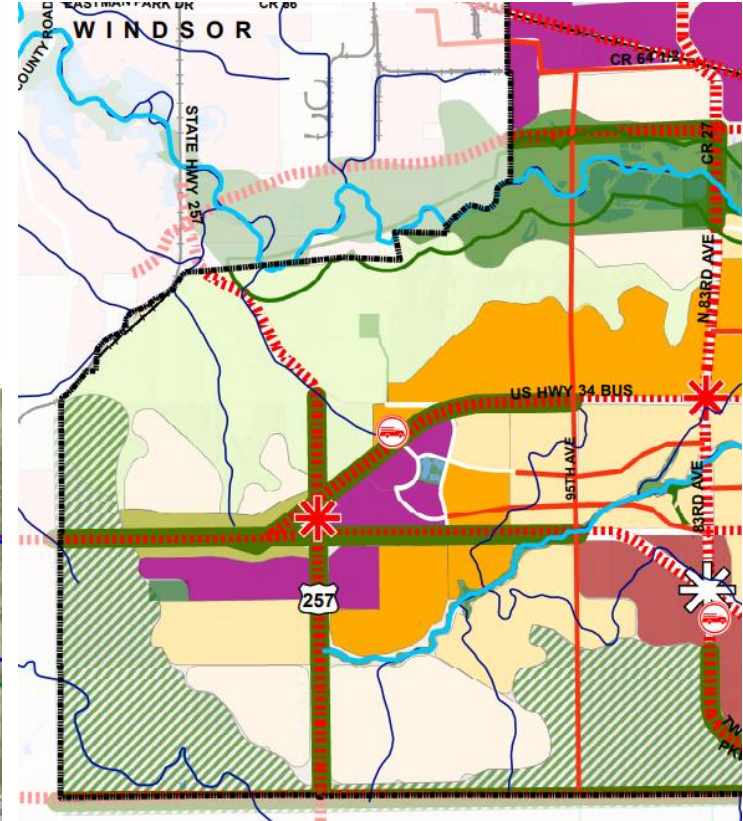
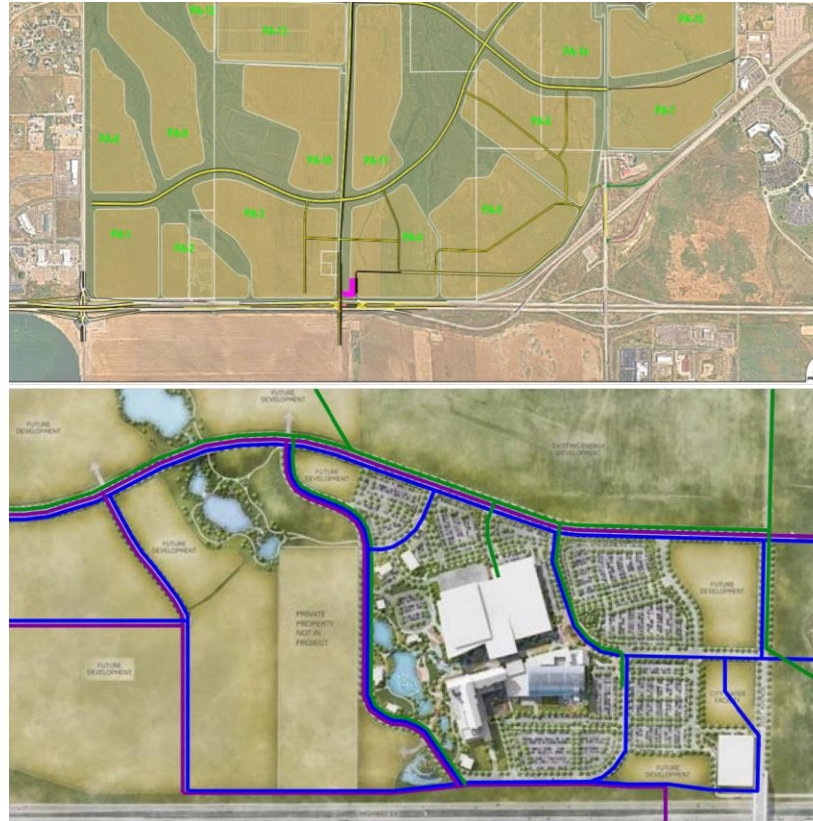
Concept plan map with core water & sewer infrastructure overlay

Land Use Approvals



- Zoning approval by City Council required for Phase 1
 - PUD (Planned Unit Development) is likely best option
- Additional site plan and construction permit approvals handled administratively
- Most processes can happen concurrently to enable construction to begin Summer 2025
- Development review staff is preparing for expedited, concurrent reviews
- Total timeline required for approvals is less than 60 days

Questions



Finance and Funding Team



Allena Portis

Deputy City Manager –
Chief Financial Officer



Jason Simmons

Municipal Advisor at
Hilltop Securities



Dalton Kelley

Attorney at Butler
Snow, LLP



Dawn Bookhardt

Attorney at Butler
Snow, LLP

Fee Developer's Proposed Project Costs

Entertainment District Buildings	\$ (in millions)	%
Land	\$ 5.0	0.5%
Arena & Ice Rinks	\$352.7	32.2%
Hotel & Water Park	\$249.7	22.8%
Central Utility Plant	\$ 31.5	2.9%
Subtotal	\$638.9	58.4%
Public Infrastructure	\$ (in millions)	%
Water & Sewer	\$ 62.3	5.7%
General Infrastructure**	\$182.9	16.7%
Subtotal	\$245.2	22.4%
Other	\$ (in millions)	%
COI and Reserves	\$210.9	19.3%
Subtotal	\$210.9	19.3%

Total Project Cost \$1.1B

** General Infrastructure includes Plaza, Gas/Electric/Telecom, Roads, Interchanges, Surface Parking, and Water Features & Tributary

Projected Operational Income and Expense

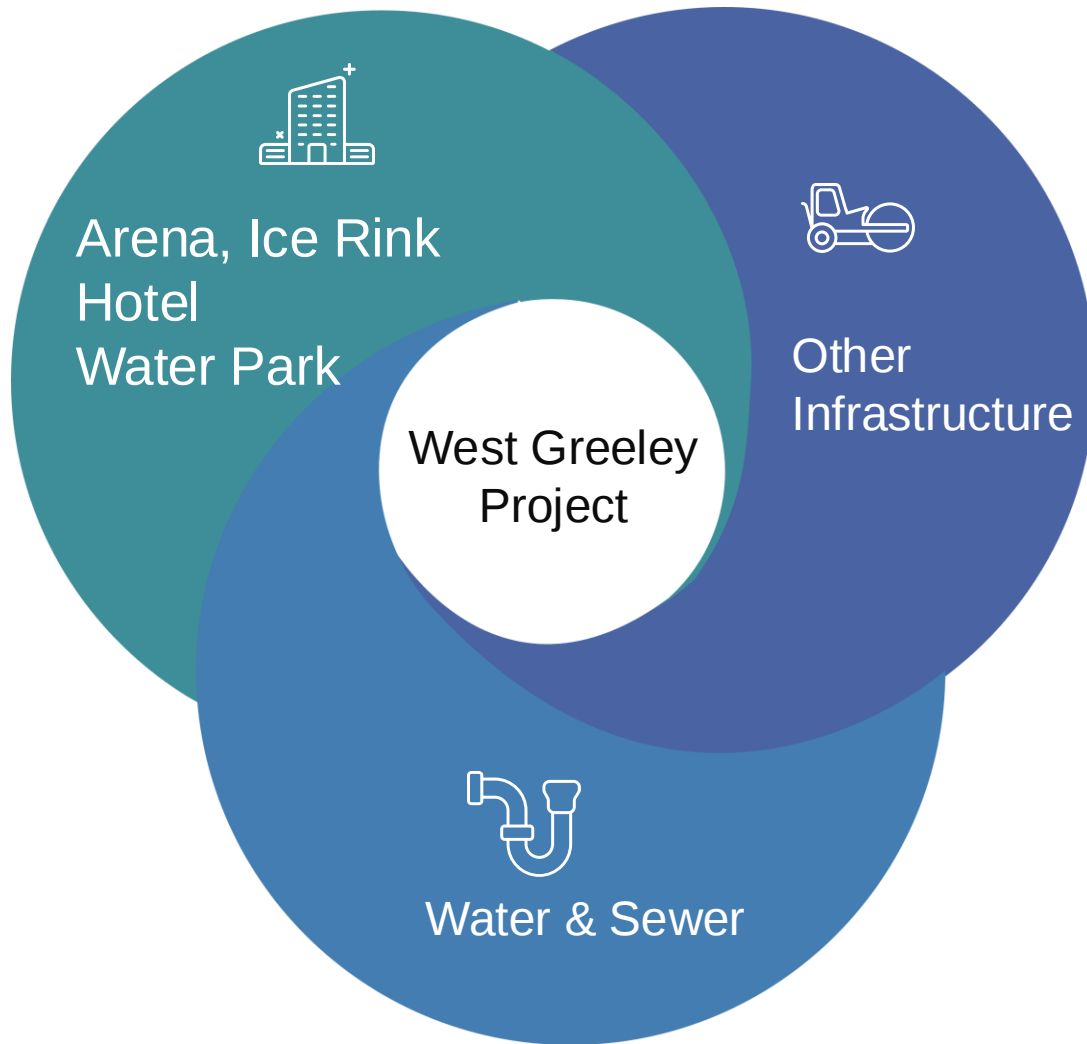
Projection– Fully Operational	*Annual \$ (in millions)
NOI– Hotel	\$24.3
NOI - Arena	\$5.9
Plaza Activation	\$0.9
Sales Tax /PIF	\$10.5
Pledged Interest Earnings	\$3.8
Economic Development Payment (EDP)	\$13.0
Total Projected Sources	\$58.4
Debt Service	\$38.8
Deposit into Reserves	\$6.9
EDP Repayment	\$12.7
Total Projected Uses	\$58.4

Net Operating Income (NOI) – Water Valley

- Arena
- Ice Rinks
- Hotel & Water Park

* For illustrative purposes, amounts projected by developer for year 5 and subject to change.

Financing Overview



Financing Stages

Initial Predevelopment

- Early 2025 through Early 2026

First Stage of Issuance

- Early 2026



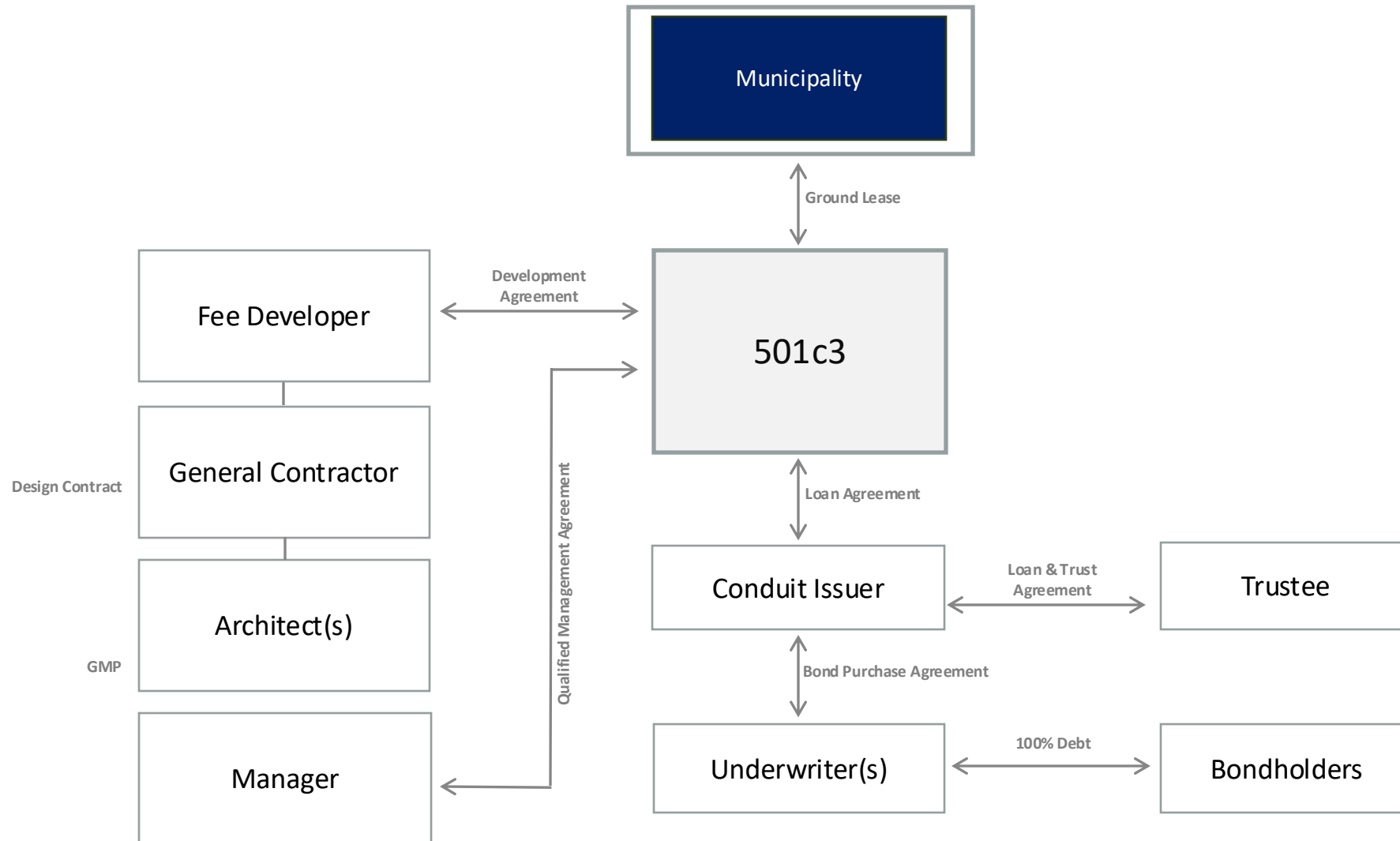
Arena, Ice Rink, Hotel & Water Park



Sources & Uses: Arena, Hotel & Water Park

Sources	\$ (in millions)	%
Debt	\$768.6	97%
Interest Earnings	\$ 24.6	3%
Total	\$793.2	
Uses	\$ (in millions)	%
Land	\$ 5.0	.6%
Hotel & Waterpark Construction	\$249.7	31%
Arena & Ice Construction	\$352.7	44%
Central Utility Plant Construction	\$ 31.5	4%
Launch Expense & Working Capital	\$ 8.0	1%
Reserves	\$ 36.8	5%
Capitalized Interest Fund	\$ 98.0	12%
Cost of Issuance	\$ 11.5	1.5%
Total	\$793.2	

Proposed Financial Structure of Project 501c3 Conduit Issuance



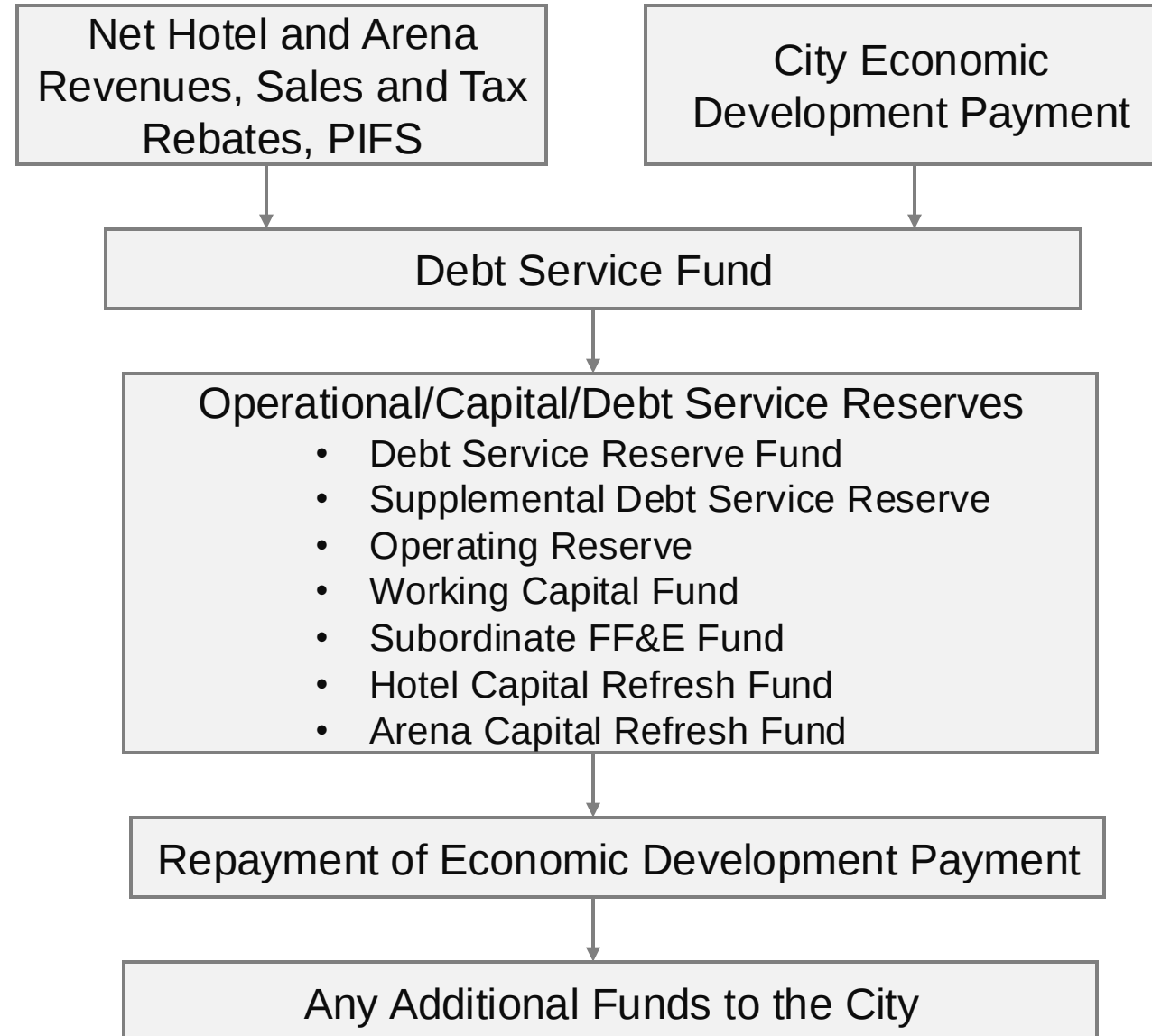
Proposed Financial Structure of Project

Non-Profit Project Financing

- Issuance of Bonds by a conduit issuer with a 501c3 borrower and owner
- Repayment from:
 1. Project Net Operating Income
 2. Sales Tax Rebate
 3. Lodging Tax Rebate
 4. Public Improvement Fees (PIFs)
 5. City Economic Development Payments

Proposed Financial Structure of Project

Flow of Funds/Waterfall



Future Decision Point:

Economic Development Payment

- The Economic Development Payment (“EDP”) adds additional security to the bonds by providing a revenue stream that is not dependent on project performance.
- Annually appropriated beginning 2028.
- EDP is repaid annually from available excess revenues after all other reserves are fully funded beginning in 2030.
- Any portion not repaid in a given year will accrue to be repaid in the future
- Proposed to start at \$12m in 2028 and inflate by 2% per year for the life of the bonds.

Future Decision Point:

Moral Obligation

- Security for the bonds
- Replenishment Resolution*
 - Council would pass a resolution expressing its intent to consider replenishing the debt service reserve fund if drawn upon
 - As protection to the City there will be funded a Supplemental Debt Service Reserve Fund which would be drawn first
 - Moral Obligation is subject to appropriation, if required to replenish reserve fund
- **Debt Service Reserve Fund Size: \$26m**
- **Supplemental Reserve Fund (MADS): \$52m**
- **Potential Rating Downgrade: 25 to 50 basis point increase in interest rates for future general fund borrowing**

*The Replenishment Resolution only expresses a nonbinding intent to refill the Debt Service Reserve Fund to the reserve requirement--\$26m.

MADS= Maximum Annual Debt Service

Future
Decision Point:

Conduit
Issuer

- A conduit issuer is a public entity that issues bonds on behalf of a private entity typically used to finance projects that support a public purpose.
- The responsibility for bond repayment lies with the private entity benefiting from the financing, not the conduit issuer.
- Options for Conduit Issuer:
 - A. Third Party Conduit Issuer; or
 - B. City as Conduit Issuer

Greeley’s Westside Development Project Conduit Issuer Pros and Cons	
Pros	Cons
Control of Issuance	Directed Risk
Control of Fees Charged to Borrower	Treated as “Taxpayer”
Control of Deal Management	Exposed to IRS Examination
Third Party Covers Principal and Interest Pmts.	Additional Resources Needed for Debt Mgt.
Debt Service Payments are Directed	Greater Responsibility
Control of Call Provisions	Directly Responsible for Administration
Less Expensive	Can be Confusing
Issuer Not required to Pay Bondholders if Default	



Infrastructure Financing

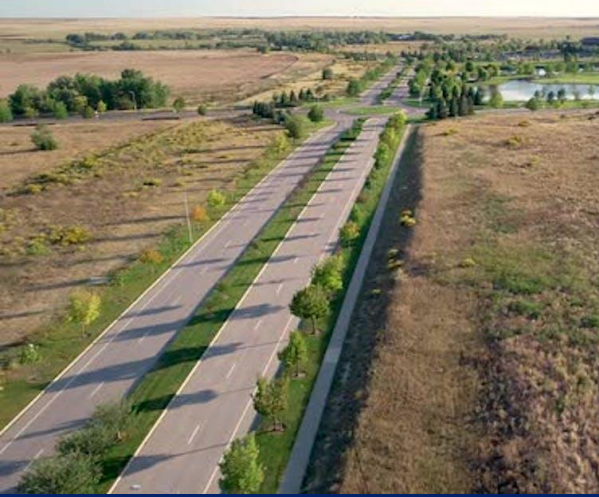


General Improvement District (GID) - \$235m

- Formed by City and governed by City Council
- Boundaries – Initial Phase and future residential & commercial development
- Infrastructure excluding Water and Sewer Utilities
- Repayment from:
 1. Property Tax
 2. Sales Tax Rebate or Public Improvement Fees (PIFs)
 3. System Development Fees

Water & Sewer Utilities - \$62m

- Issuance of bonds from Water Enterprise
- Issuance of bonds from Sewer Enterprise
- Repayment from User Fees – Existing & Future Customers



Predevelopment Costs



Future Decision Point:

Pre- Development Financing 2025

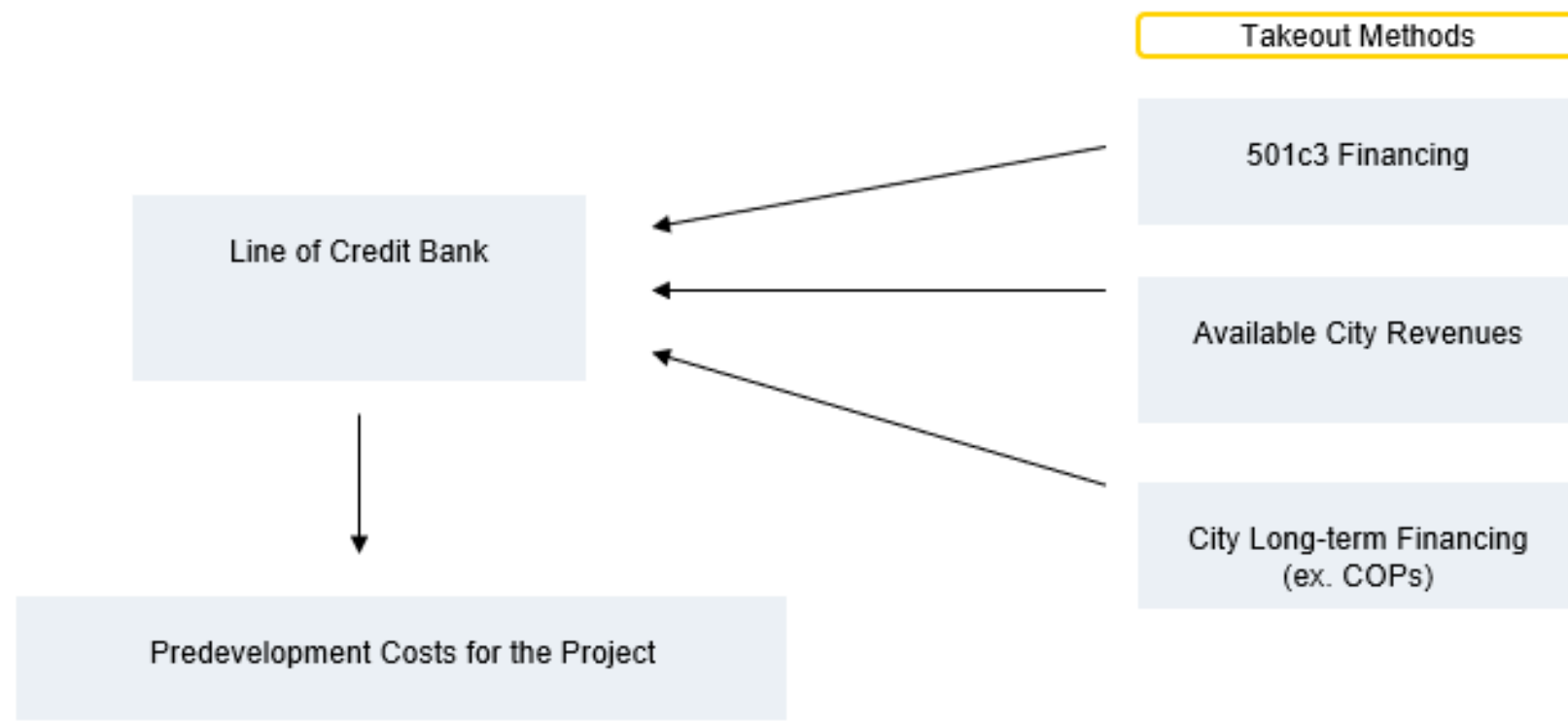
- Conceptual Design to Ready for Construction
 - Design Costs
 - Procurement costs on long-lead items
 - Earthwork
 - Utilities
 - Site Preparation
 - Guaranteed Maximum Price Based on Design Work

Credit Support and promise of **Takeout Financing**
Estimated to Cost up to: \$115m

Future Decision Point:

Pre- Development Financing cont'd

- Pay off with proceeds of the 501c3 financing in Q1 2026



**If 501c3 financing does not move forward,
City responsible for paying Line of Credit**

Summary of Future Decisions Points

- Predevelopment Financing
- Conduit Issuer and 501c3 Financing
- Moral Obligation
- Economic Development Payments
- Creation of General Improvement District to finance infrastructure
- Water & Sewer Enterprise Bonds

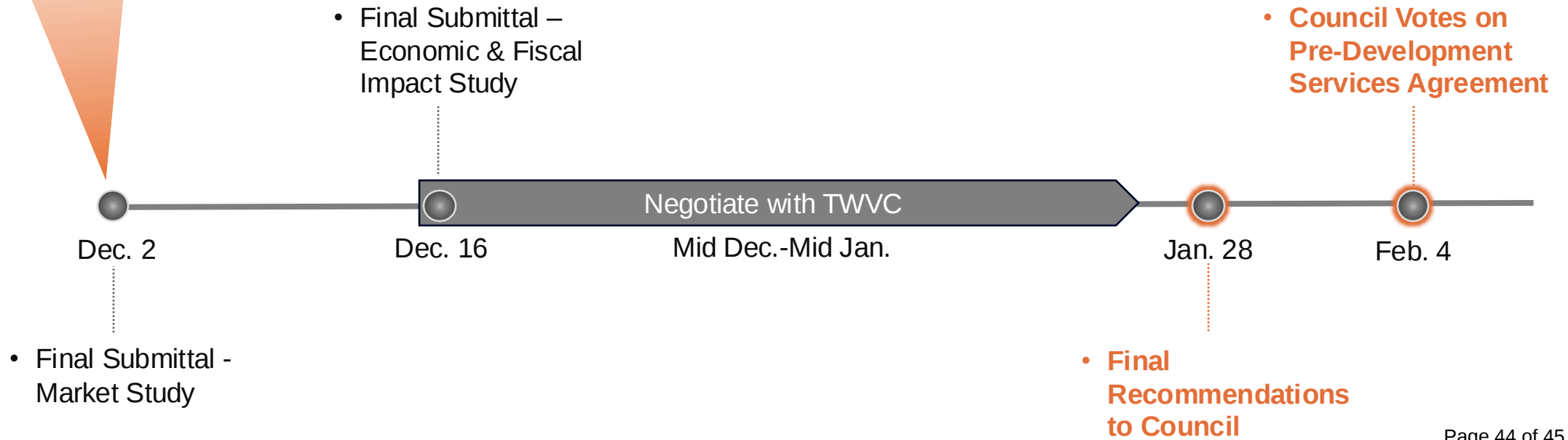
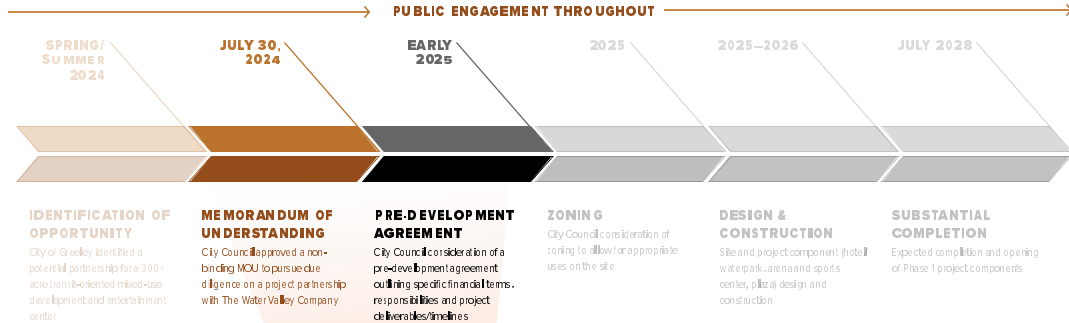
Questions



Timeline



Key Milestones



Thank you

