



# **West Greeley Project Citizen Oversight Committee**

**June 4, 2026**

**4:30 pm**

**1001 11th Ave, Greeley, CO 80631**

## **Agenda**

- 4:30 Welcome, Agenda Review**
- 4:35 Status of City Work - Solutions Team work**
- 5:50 Presentation/Questions: Additional Data Questions**
- 6:10 Public Comment Session –**
- 6:20 Discussion**
- 7:30 Adjourn**



# Oversight Committee Meeting 5

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**June 4<sup>th</sup>, 2026**

**John Herge, Senior Strategic Advisor**

**John Hall, Senior Strategic Advisor**

**Brett Payton, Solutions Team Lead**



# Agenda



- **Welcome**
- **Addressing Questions**
- **Solutions Team**

# Addressing Questions

## Q: GID Revenue Model – How Other Developments Contribute?

**A: Planned funding approach:** Future development across the greater West Greeley area contributes to the GID over time.

- Primary contribution mechanisms (original concept):
  - Per-lot assessments (tied to benefited/regional infrastructure)
  - ~10 mills in property tax

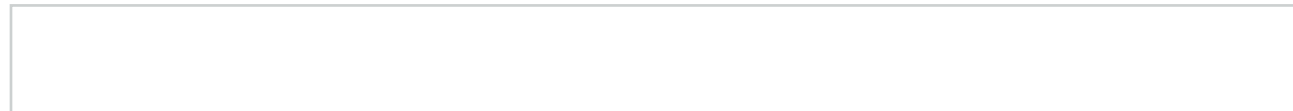
## Q: Who contributes (examples)?

**A:** Cascadia and Delantero properties (and other future WG development).

- Current direction / refinement: WG Solutions Team is working to *reduce or eliminate reliance* on the GID for Catalyst financing by *identifying alternative infrastructure funding*.

## Q: Why were contributions assumed?

**A:** Developments benefit from regional “Catalyst” infrastructure, so they were expected to fund a portion of it through the GID.



# Addressing Questions

**Q: What is the effect on the financial modeling if bond term is shortened from 40 years to 30 years?**

**A: Interest rate assumptions (illustrative; not finalized):**

- 40-year starting points: 5.25% tax-exempt, 6.25% taxable
- 30-year starting points (reasonable estimate): ~5.10% tax-exempt, ~6.10% taxable
- Final rates would require market price discovery once documents are finalized and a rating is assigned

**Debt service / affordability impact:**

- Debt service was structured to increase over time to align with projected revenue growth
- Moving to 30-year amortization increases average annual debt service ~\$13M
- Required Economic Development Payment increases to ~\$27M (from ~\$12M)

**Overall trade-off:**

- Shorter term reduces total repayment by >\$500M
- But the annual payment increase is significant (lower lifetime cost vs. higher annual affordability pressure)



# Addressing Questions

**Q: What is the effect on the financial modeling if bond term is shortened from 40 years to 30 years?**

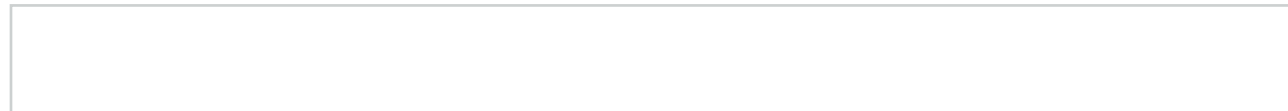
**A: Core premise:** The venues are modeled as long-term community assets that must be continuously maintained and periodically upgraded to remain competitive over the full financing horizon (hotel, waterpark, plaza, arena, YHC).

***Built-in “replacement reserve” for FF&E (ongoing lifecycle costs):***

- Hotel: FF&E “reserve for replacement” funded from operating cash flow; modeled to ramp to 4.0% of total sales (Year 3+), after 2.0% (Year 1) and 3.0% (Year 2).
- Arena: “Reserve for replacement” set aside for periodic replacement of furniture, fixtures, and equipment; modeled to ramp to 3% of total revenue (Year 3+), after 1% (Year 1) and 2% (Year 2).

*Operational assumption that drives the reserves:* The feasibility work assumes *ongoing periodic FF&E replacement* to maintain venue condition/experience over time.

**End-of-term alignment:** At the end of the bond term, the **City is positioned to benefit from the asset and excess cash flow**, creating a strong incentive to sustain long-term facility condition and visitor experience (as described in the Oversight Q&A narrative).



# Addressing Questions

**Q: Revenue generation from the three sheets of ice/youth hockey?**

**A: Projected revenue streams (H&LA):**

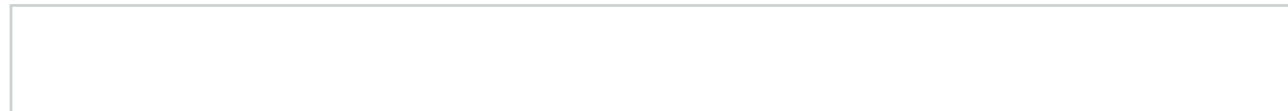
- **Hourly ice rentals:** ~\$1.74M (Year 1) → ~\$1.90M (Stabilized Year 3)
- **Programs & ancillary (net):** hockey + skating programs, skate rentals, snack shop revenue share  
~\$0.98M/year
- **Total annual youth ice rink revenue:** ~\$2.7M–\$2.9M (order of magnitude; contract revenue shares apply)

**Rate setting / market support:** Modeled at ~\$350/hour per sheet, **consistent with regional market ranges** (~\$225–\$300 municipal/off-peak; ~\$325–\$400 newer/high-amenity).

**Facility / capacity:** 3 NHL-regulation sheets (200' × 85') totaling ~8,008 rentable hours/year.

**Utilization assumption (addresses “vacancies”):** ~62% utilization ⇒ ~4,965 hours rented/year (remaining hours available for other programming / off-peak demand).

**Demand foundation / operational assumptions:** professionally managed (OVG) and Colorado Eagles as primary tenant (supports baseline usage; other users fill remaining time)



# Addressing Questions

## **A: Primary Customer Base:**

- Northern Colorado Youth Hockey Association (NCYH) — 1,200+ youth players, based at NOCO Ice Center and EPIC
- Greeley Youth Hockey Association (GYHA / Greeley Bears) — year-round tenant
- Colorado Junior Eagles (USPHL Premier) — practices, home games, tournaments
- Adult recreational leagues — 90–100 teams operating seasonally in NoCo, selling out available ice slots within weeks
- Figure skating clubs, public skating, camps/clinics, tournaments, adaptive/sled hockey, curling
- The facility will house Northern Colorado Youth Hockey league offices and Junior Eagles youth hockey league offices on-site



# Addressing Questions

**Q: Minimum hotel occupancy rates needed to meet debt service?**

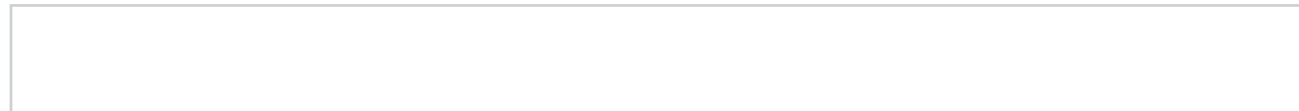
**A: No single “minimum occupancy” number:** Required occupancy is highly sensitive to ADR (room rates) and dynamic pricing, so occupancy alone does not determine debt-service capacity (profitability / NOI is the key driver).

**H&LA occupancy ramp (planning baseline):**

- Opening year occupancy: 72%
- Stabilized occupancy: ~79% (stabilization timing shifted in the final feasibility assumptions)

**Rule-of-thumb / operating target:** Hotels generally aim to be ~65%+ occupied to support healthy operations—but the goal is to hit the needed occupancy while remaining profitable at the achieved ADR (i.e., occupancy and rate must work together).

**Additional Sensitivity Analysis May be Needed:** Additional sensitivity analysis (occupancy × ADR × expense assumptions) to identify the minimum revenue/NOI needed to cover operations + reserves + debt service (and meet target coverage ratios).

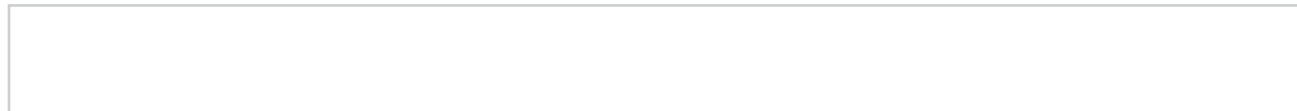


# Addressing Questions

**Q: Closing the Infrastructure Funding Gap (~\$127M)?**

**A: Mitigation Mechanisms Under Evaluation:**

- **Reduce interchange cost (US 34 / CR 17):** Pursue design/engineering refinements and value engineering to lower total design + construction cost for the grade-separated interchange.
- **Decouple & defer non-critical scope (131st Mobility Hub):** Separate (“decouple”) the Mobility Hub scope from near-term Catalyst delivery and defer it (e.g., ~5 years) to better align timing with funding capacity and readiness.
- **Municipal partnering / cost sharing (IGA approach):** Evaluate intergovernmental partnerships (IGAs) with other beneficiaries (e.g., agencies/municipalities/county) to share interchange costs and reduce the City’s standalone burden.
- **Increase design maturity to reduce delivery/finance risk:** Completing designs enables a shift from higher-risk delivery assumptions (e.g., Design-Build-type uncertainty) toward more defined construction pricing, improving cost certainty and potentially reducing financing/bonding risk premiums.



# Solutions Team

- What is it?
- Why is it needed?
- Who is on the team?
- What is their charter and mission?
- What have they been doing?
- Brainstorm and evaluate potential approaches and solutions including partnership opportunities

# Thank You

