

Request for Proposals to Provide Financial Advisory Services

**United States Olympic Museum Project
Colorado Springs Urban Renewal Authority, Colorado
Series 2016**

January 13, 2016

Introduction

The City of Colorado Springs submitted an application on November 25, 2013 to State of Colorado Economic Development Commission seeking funding under the State Regional Tourism Act. The proposal contained four projects including the United States Olympic Museum and Hall of Fame, the Colorado Sports and Event Center, the University of Colorado at Colorado Springs Sports Medicine and Performance Center, the Gateway Visitors Center at the United States Air Force Academy. The State RTA approved the application on December 16, 2013.

The Museum Project

The Museum Project is an important project within the City of Colorado Springs with the U.S. Olympic Organizing Committee headquartered in Colorado Springs. The Museum is estimated to draw 350,000 new visitors to the Regional Tourism Zone, with 82 percent or 287,000 coming from outside Colorado and being net new visitors to the State. The Museum would be affiliated with the United States Olympic Organizing Committee (USOC). This affiliation will enable the Museum to offer continually updated programming after each Olympic Event and closer access to exhibit material.

The Museum is a proposed 60,000 square foot museum building containing 20,000 square feet of exhibit space, flexible meeting and venue space, and 9,000 square feet of retail and restaurant space. Estimated opening date is in 2018.

The Museum will feature stunning mountain views, embody the forward-looking values and unquenchable spirit of the Olympic and Paralympic Games. The building will be fully accessible for all, with a special focus on energy efficiency and environmental sustainability. Inside the Museum, state-of-the-art interactive and media technology will ensure that the experience remains current and fresh, and that statistics and stories are timely and up-to-date throughout the life of the installation. The exhibition will be designed with change in mind, so that not only the information but also the delivery of that information remains accurate, relevant, and cutting edge.

It is estimated that the four projects within the RTZ will generate \$120.05 million in net new sales tax in the RTZ over 30 years. Of the total, 42% will be allocated to the U.S. Olympic Museum resulting in a total cumulative amount of State Sales Tax Increment Revenue to the U.S. Olympic Museum that is estimated to be \$50,610,000 over the course of the financing term. These RTA State Sales Tax Increment Revenues are available to help pay the debt service for bonds that are to be issued by 2018 and the project is completed by 2023.

Capital Needs and Fundraising

The Museum anticipates funding approximately \$73 million in capital needs through both bond proceeds and fundraising efforts.

The Bonds

The Museum expects to use approximately \$30 million of bonds to fund construction. At this point in time we expect the bonds to be sold through a bank direct placement. The Colorado Springs Urban Renewal Authority hired George K. Baum & Company to serve as Investment Banker for the bond issue. As part of this role, GKB will oversee the bank solicitation process.

Fundraising

Funds raised through an aggressive capital campaign will pay the remaining construction costs. The Museum has received approximately \$27 million in pledged commitments. The remaining \$16 million in capital needs will be raised through further fundraising efforts.

Financial Advisor - Minimum Requirements

The Resolution approved by the Colorado Economic Development Commission that governs the allocation of State Sales Tax Increment Revenue for the City of Champions Project requires that the transaction have an "External Financial Advisor" who is defined as follows:

1. Has experience advising Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing (including, without limitation, interest rates), sales and marketing of such securities and the procuring of bond ratings, Credit Enhancement and insurance in respect of such securities.
2. Shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place publication.
3. Is not an officer or employee of the Financing Entity or the Applicant and has not been otherwise engaged to provide services in connection with the transactions contemplated by the Resolution.

Financial Advisor – Scope of Work

The Resolution also specifically states that if the Bonds are placed privately, an External Financial Advisor must certify that:

1. Does not exceed a reasonable tax-exempt interest rate.
2. The Structure of the debt is reasonable considering the financial circumstances of the Financing Entity.

The above two requirements set forth the primary responsibilities for the Financial Advisor.

Proposal Questions

Responses are limited to five pages. Joint responses will not be accepted. A one page cover letter and appendices are not subject to the page limit. Materials that are primarily marketing related are highly discouraged.

1. Describe your firm's public finance presence nationally and Colorado, particularly as it applies to this transaction.
2. Name and address of the firm's primary contact and other individuals from the firm who will assist with this transaction. Please outline the experiences of these individuals as related to the Scope of Work described above.
3. Describe your firm's experiences working with Colorado Tax Increment Finance Districts and any State of Colorado Regional Tourism Act projects.
4. Provide three recent examples of Colorado direct placements, either as part of issuance or as financial advisor to the transaction
5. Please provide your proposed fee schedule.
6. Please include any additional information unique to your firm that you believe is relevant to evaluating your firm's qualifications.
7. Describe any other relationships that could appear to create a conflict of interest if your firm is selected Including any current business relationship with the Colorado Springs Urban Renewal Authority, the City of Colorado Springs and/or the US Olympic Museum

Evaluation Criteria

Proposals will be evaluated using the following criteria – in no particular order.

1. Expertise of the person(s) expected to play major roles and their experience working with similar issues.
2. Demonstrated understanding of the scope of work.
3. Demonstrated business in the State of Colorado and commitment to the Colorado Springs community.
4. The completeness of the proposal.
5. Proposed fees.

Submittal Instructions and Requirements

Electronic responses to this Request for Proposals should be sent by Email to the individuals listed below no later than January 29, 2016.

reescsura@gmail.com
mdevine@algadv.com

Please feel direct any questions regarding this RFP to Jim Rees at reescsura@gmail.com

Jim Rees, Director
Colorado Springs Urban Renewal Authority

