

RECORD OF PROCEEDINGS
MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
RiNo BUSINESS IMPROVEMENT DISTRICT

HELD:

Tuesday, March 22, 2022, at 3:00 p.m. via Zoom.

ATTENDANCE:

The meeting of the Board of Directors of the RiNo Business Improvement District, City and County of Denver, Colorado was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Tom Kiler
Rachel Rabun
Adam Larkey
Levi Johnsen
Obe Ariss
Diana Merkel
Jevon Taylor
Ashlee Wedgeworth
Carla Mestas

Also, in attendance were Tracy Weil, John Deffenbaugh, Alys Sharp, Adrienne Villa, Molly Paillet and Dori Suess with RiNo Art District.

CALL TO ORDER:

Director Merkel noted for the record that a quorum was present, and on behalf of the Board, called the meeting to order.

CONSENT AGENDA – MINUTES & FINANCIALS:

Both the financials and minutes, presented via email prior to the board meeting, were approved unanimously by the board. The board will review the 2022 financials and approve via email.

RINO OFFICERS:

Mr. Weil explained the Treasurer role and asked the board members if anyone was interested in taking on this role. After a brief discussion, Director Merkel nominated Director Larkey, who had expressed interest in the role. The nomination was unanimously approved.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 2

Mr. Weil stated that the BID Board would need to vote for Board Chair & Board Secretary. These roles are held by Director Merkel & Director Rabun. The board motioned to approve and voted yes to keep both directors in the same role.

INTERSTATE BUILDING PROJECT UPDATE & FUNDING REQUEST:

The Interstate Building project is in design, with the objective of submitting drawings to the City of Denver for construction permitting in early March.

The primary driver of this timescale is the \$1.25M loan RiNo has been awarded by CCI, which requires the construction permit to be obtained and the project to be fully funded by end of June 2022.

We anticipate commencing construction in Q4 this year, with an estimated eight-month construction period.

The Interstate Building will not be leased to a long-term partner tenant, it will be operated and managed directly through RiNo Art District.

The venue is intended to be an open plan and flexible space that will be rented to a number of short-medium term partners for a variety of uses.

The current ArtPark Cooperative Agreement (lease) between RiNo and the City will be extended to include the Interstate Building. This will not require City Council approval.

The building design will be developed to accommodate a diverse range of programming such as exhibiting visual art, community meetings, health & wellness classes, language access classes, performance art, small business networking events and RiNo Talks.

Mr. Deffenbaugh shared the concept images from the slide deck that was sent to all board members. He noted that the film on the glass will change color on the building exterior.



RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 3

There will be no food or beverage services in the Interstate Building, however there will be a kitchenette with a sink, dishwasher, etc. CoCua will be the only food serve at the ArtPark.

We are working with Sidecar PR to develop the marketing strategy. The building is schedule to open Fall 2023 so we have time to work on this. Director Ariss would love to see food trucks, first time business owners, all types of businesses in this space and on Festival Street.

Mr. Deffenbaugh mentioned that CoCua is in the process of obtaining a liquor license. Mr. Weil also shared that there would be a mobile bar, but it is not part of the build out.

Mr. Deffenbaugh shared the Cost Status. He noted that a contribution for \$20,000 from Carmel has been made. However, we do have a funding shortfall for this project.

3. Cost Status

- Currently available funds to progress the Interstate Building Construction:

Source	Value (\$)
CCI Grant	1,250,000.00
McWhinney Gift	100,000.00
TOTAL	1,350,000.00

- We have been working with the general contractor, MYC, during the pre-construction design period to develop the project budget.
- MYC has bid the project to its supply chain partners and returned a current budget estimate of **\$1,695,587***
- In addition to the construction contract value, we propose to include client-held funds for contingency and city-required public art contribution. This results in a total project cost of:

Cost	Value (\$)
Construction Contract	1,695,587.00
6% Contingency	101,736.00
1% Public Art Contribution	16,956.00
TOTAL	1,814,279.00

*Includes value engineering measures outlined in appendix A

14

3. Cost Status



The project therefore has a funding shortfall as set out below:

Source	Value (\$)
Estimated Project Cost	1,814,279.00
Less Available Funds	(1,350,000.00)
Funding Gap	464,279.00

- RiNo is incredibly fortunate to have obtained the CCI grant of \$1.25M, however to progress the building to construction, and not lose this generous donation, we need to identify how to plug this funding gap.
- The project team proposes the following strategy:
 - 2022:** Identify budget lines in the 2022 BID and GID budgets that may be reduced or redirected to contribute toward the Interstate Building project
 - 2023:** Build in a one-off budget line into the 2023 budgets of the BID and GID to fund the remaining balance.
- This proposal is illustrated in the table on the following slides.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 4

We are asking the BID & GID Boards for funding in 2022 by reducing or redirecting current budget lines. We will then add a budget line in 2023 to cover these costs.

3. Cost Status

- 2022 BID Budget lines that we propose be reduced or redirected to contribute to the project:

Line	Title	Value (\$)	Contribution (\$)	Remaining (\$)
8116	RiNo Support Fund	110,750	50,000	60,750
8182	Data Collection	12,000	12,000	0
8311	Wayfinding	175,000	40,000	135,000
8112	General Hospitality	10,000	5,000	5,000
8240	RiNo Guide	15,000	5,000	10,000
TOTAL BID 2022 Contribution			112,000	

- 2022 GID Budget lines:

Line	Title	Value (\$)	Contribution (\$)	Remaining (\$)
8330	General projects	100,000	25,000	75,000
8414	Public art	75,000	50,000	25,000
8346	Bus shelter	2,500	2,500	0
TOTAL GID 2022 Contribution			77,500	

3. Cost Status

Source	Value (\$)	Notes
Estimated Construction Cost	1,695,587.00	Estimate, may fluctuate. Final approval sought prior to construction
Contingency	101,736.00	6%
Public Art Contribution	16,956.00	1%
Total Project Cost	1,814,279.00	
Less Currently Available Funds	(1,350,000.00)	Fundraising on-going, likely to reduce BID and GID contributions below
Funding Gap	464,279.00	Fundraising on-going and likely to reduce funding gap
2022 BID Contribution	(112,000.00)	
2022 GID Contribution	(77,500.00)	GID budget less flexible, majority of funds committed to Brighton Blvd
Remaining Balance	274,779.00	
2023 BID Contribution	(164,868)	60% of remaining balance
2023 GID Contribution	(109,912)	40% of remaining balance

- The staff team has reviewed the 2022 budget line modifications and 2023 budget impacts and is confident that this strategy presents a realistic approach and does compromise other outcomes.
- Agreement in principle is sought from the BID and GID boards, subject to final numbers presented for approval prior to construction commencing in Q4 2022.**

Ms. Pulford is working on the fundraising as well as 4-5 grants. Director Ariss offered any help he could offer with talking to individuals, foundations, developers since we are on a timeline crunch. With receiving this funding, it brought our construction timeline up by 9 months.

Director Merkel stated that she is in support of the line items that we need to pull funds from. We must take advantage of this grant and ensure that we have all set-in place by the deadline to receive the money.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 5

Regarding the Placier AI line item, Mr. Weil stated that as a staff, our bandwidth has been stretched. Director Kiler offered to donate the software if we need to use it for a specific event. And Director Merkel shared that Westword could also share their data for ArtRino week.

Mr. Deffenbaugh shared the Building A Financing Refresher slide deck.

4. Building A Financing Refresher

- ArtPark Building A was completed in September 2021 and received significant positive press coverage.
- The project was funded by a finance agreement with Collegiate Peaks Bank, based in the district.
- The terms of the finance agreement are set out below
 - Interest Rate: WSJP 0.25% fully floating, floor 3.5%
 - Amount of Loan: Up to \$3,000,000
 - Term: 78 months
- **Payments:** Interest only payments due monthly for the initial 18-month draw period, paid by the Borrower-funded interest reserve of \$150K. The subject loan will begin amortizing in month 19, with principal and interest payments due monthly, based on a 5-year amortization, for the remaining term of the loan (Est. \$54,575.23/month). All remaining principal and interest will be due at maturity.
- Collateral:
 - Cash Collateral \$620,000 account by bank for the life of the loan
 - Cash Collateral \$150,000 account held by bank to be used for interest only payments
 - Assignment of Contributions from BID and GID per Project Cooperating Funding Agreement to contribute \$200,000 each annually to RiNo Art District to fund loan repayments.

4. Building A Financing Refresher

- Summary of board approved funding sources and funds provided in Oct 2020 to secure the financing:

Origination fee	0.50%
Credit rate	3.50%

Estimated Construction Cost		\$ 3,000,000.00	Subject to construction RFP
Bank origination fee		\$ 15,000.00	
Assumed 2020-22 interest		\$ 210,000.00	Assuming 2 years of \$3m borrowed.
Total Cost 2020-22		\$ 3,225,000.00	
GID Funding			
Reserves contribution	\$ 400,000.00		Collateral
2020 contribution	\$ 110,000.00		Collateral
2021 contribution	\$ 200,000.00		
2022 contribution	\$ 200,000.00		
Total GID Funding		\$ 910,000.00	
BID Funding			
2020 contribution	\$ 110,000.00		Collateral
2021 contribution	\$ 200,000.00		
2022 contribution	\$ 200,000.00		
Total BID Funding		\$ 510,000.00	
RAD/KRW Funding			
Total Funds Raised		\$ 150,000.00	Reserve account
Total Funds Available		\$ 1,570,000.00	
Anticipated 2022 balance		\$ 1,655,000.00	Subject to reduction by Fundraising

Note: Since this table was produced in 2020, board approved BID and GID contributions for the year of 2022 were increased to 300,000 per entity.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 6

4. Building A Financing Refresher

- Estimated amortization of the financing throughout the period:

Loan amount	\$ 1,655,000.00	
Origination fee	\$ 8,275.00	0.50%
Total loan amount	\$ 1,663,275.00	
Rate	3.50%	Subject to change
Annual payment	\$ 368,384.43	

	1-Jan			31-Dec	
	Prin Balance	Cash Payment	Interest Expense	Prin Repayment	Prin Balance
Year 1	\$ 1,663,275.00	\$ 368,384.43	\$ 58,214.63	\$ 310,169.81	\$ 1,353,105.19
Year 2	\$ 1,353,105.19	\$ 368,384.43	\$ 47,358.68	\$ 321,025.75	\$ 1,032,079.45
Year 3	\$ 1,032,079.45	\$ 368,384.43	\$ 36,122.78	\$ 332,261.65	\$ 699,817.80
Year 4	\$ 699,817.80	\$ 368,384.43	\$ 24,493.62	\$ 343,890.81	\$ 355,926.99
Year 5	\$ 355,926.99	\$ 368,384.43	\$ 12,457.44	\$ 355,926.99	\$ 0.00

He stated that we have a 5-year term between BID, GID, and fundraising, so we are looking to accelerate the payback.

SHOWERS FOR ALL FUNDING REQUEST:

The sum of \$60,000 is included within the BID's approved 2022 budget to support the creation of a new mobile shower and laundry unit. Approval is sought from the BID to transfer the \$60,000 to Showers for All to create a second mobile shower and laundry unit. The unit will have RiNo branding and will be traveling throughout Denver. We could look at upkeep next year and add another unit. After a brief discussion and positive feedback from all board members, the motion was approved.

38TH & BLAKE MOBILITY HUB:

This is a city led project installing five electrical charging points, benches, storage for e-bikes, scooters, information point, etc. The RiNo mobility plan is fulfilled with this project.

Mr. Deffenbaugh asked the BID Board if they are interested in a maintenance agreement in the future. This could encourage the City to add more hubs throughout the city. He noted that the parking would be exclusive to electric vehicles.

COORS FIELD PARKING LOT:

Director Kiler & Mr. Deffenbaugh have been working on this project for the past 6 months to market the Coors Field Lots for public parking on non-game days. Mr. Deffenbaugh shared the new graphics and noted that they would be posted on the RiNo website and social media. The stop signs and crosswalks encourage pedestrian traffic. Parking.com will be used to purchase the spots.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 7



VINYL BANNER
Above 27th Street Garage Entrance, with visibility from Larimer Street



NO VACANCY LOCATION OPTIONS:

Director Merkel noted that No Vacancy was a spontaneous project last year with 16 artist residencies plus OddKnock Productions and it was very successful for Summer 2021. We should be looking for a Summer 2022 location. No Vacancy could be scaled to whatever location is available, any type of vacant space that could use activation.

Mr. Weil & Ms. Sharpe toured IMAC, a building that Director Kiler thought would be a good fit. Some of the ideas for the fall would be a haunted house. Also noted, was that No Vacancy would be wonderful to have during ArtRiNo.

This is an ongoing conversation and if anyone has a location/space please let Director Merkel, Mr. Weil & Ms. Sharpe know as soon as possible.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 8

ARTRINO EVENT UPDATE:

ArtRiNo will be held September 5-11. Mr. Weil has been working with Adan Vicerol on the graphics for the event. Mr. Weil shared the visuals with the board. These will be emailed out later.

There will be workshops and larger events at the ArtPark throughout the week as well as a lighting project at the promenade by Luminade.

This art will engage the community for longer than just that weekend. It will be like ArtBasil in Miami. This will be the RiNo signature event as we part ways with Crush. It will spread to the entire district. Director Kiler suggests that we connect to the surrounding neighborhoods. Mr. Weil confirmed that workshops and outreach will happen to each neighborhood.

Mr. Weil stated that we are working on obtaining beverage sponsorships & joint sponsors with Westword with a possibility of raising \$300,000 with fundraising.

Regarding branding and promoting the event, Mr. Weil advised the board that we will need to finish the branding and announce at the beginning of April to the media. The announcement will coincide with Westword announcing the band line up, RiNo artists, etc. Director Kiler & Director Larkey shared that they would be happy to help with promoting the event through their organizations, social media, and staff.

OTHER BUSINESS:

Director Larkey shared that the largest tenant at Taxi is donating furniture to nonprofits. Director Taylor & Director Mestas stated that they would be interested in this furniture.

Director Larkey shared that the Flight Building has artist residence space that will partnership with Platte Forum extra space and bring artists through during events. He would like to solidify a partnership with them and RiNo. Ms. Paillet and Ms. Sharpe would like an intro to work on this.

RiNo/SideCar PR will be doing the marketing & promotion for First Friday at Backyard on Blake.

Director Mestas announced that CIRCLE will be holding their first fundraiser. A sponsorship packet will be shared with the Board later.

ADJOURN:

There being no further business to come before the Board and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the RiNo Business Improvement District.

RECORD OF PROCEEDINGS

RiNo Denver Business Improvement District

March 22, 2022

Page 9

Secretary to the Board