# Executive Summary: How the West Greeley Studies Provide a Full View of the Project Feasibility

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## Purpose and Big Picture

The City of Greeley has undertaken a coordinated set of independent market, feasibility, fiscal, and economic studies to evaluate the West Greeley Catalyst Project, including the Arena, Ice Center, Resort Hotel and Waterpark, and the surrounding mixed-use district. Collectively, these studies answer three fundamental questions for the City:

1. Is there sufficient market demand to support the scale and mix of development being proposed?
2. Is the arena/resort/district concept financially and operationally feasible under conservative assumptions?
3. Does the project generate measurable public benefit while managing financial risk to the City?

Taken together, the studies demonstrate that West Greeley is well positioned to capture long-term regional growth; that the core Catalyst components are feasible with prudent phasing and conservative assumptions; and that the City's financial exposure has been intentionally structured to align public investment with verified market demand and performance.

## Market Demand Foundations: Residential, Commercial, and Regional Growth

### Residential Market – Zonda Advisory (Cascadia Residential Market Study)

The Zonda Advisory study establishes the long-term growth context that underpins the West Greeley initiative. Zonda concludes the Cascadia subject property is positioned well within a growing, in-demand market area, and within the Cascadia competitive market area (CMA).

Zonda highlights demand fundamentals supporting the CMA, including strong regional access (SH-34/I-25 connectivity), proximity to existing retail/services, and commuting access to multiple Northern Colorado employment centers. Zonda notes attainability is a key positioning strategy, and that limited in-demand resale supply can support new-home absorption when product and pricing are aligned.

Based on product mix, lot delivery timing, and market conditions, Zonda estimates the subject property could capture a meaningful share of future home closings — approximately 4% to 29% of total CMA closings.

Zonda also notes the site's strong regional positioning — supported by access to major corridors and multiple Northern Colorado employment centers — as a key factor supporting long-term housing demand in the Cascadia competitive market area (CMA). Zonda indicates CMA capture is expected to remain generally steady through the forecast period, with potential for gains as development pushes east toward the subject property and demand seeks more attainable homes.

Zonda cautions that performance is sensitive to broader economic cycles and competitive pricing, and it identifies execution risks such as visibility/marketing challenges along major arterials and industry-wide construction labor/material constraints that can affect delivery timing and realized closings.

While the Catalyst entertainment district anchors may influence timing and placemaking, Zonda's residential analysis is fundamentally based on broader market conditions, competitive positioning, and product/price alignment within the CMA.

For the City, this study matters because it provides an independent, independent third-party assessment of long-term residential demand and achievable absorption within the Northern Colorado Market and the Cascadia CMA supporting phasing decisions and helping align infrastructure timing with demonstrated market demand rather than best-case assumptions.

## Commercial & Retail Demand – Economic & Planning Systems (EPS)

The EPS Commercial Demand Study builds directly on the residential market work and evaluates forecast household growth, regional employment trends, and Catalyst visitor activity, which translates into demand for retail/service-commercial, and office space in the West Greeley Subarea over the next 20 years.

EPS defines a commercial "trade area" for this analysis and notes that Zonda's residential competitive market area (CMA) is larger than EPS's trade area. EPS therefore applies an estimated capture rate from the larger CMA to scale Zonda's residential growth inputs to the smaller EPS trade area.

EPS estimates approximately 1.8 million square feet of total commercial demand in the West Greeley Subarea over the next 20 years, including about 1.3 million square feet of retail/service-commercial demand and approximately 525,000 square feet of office demand.

EPS identifies three primary sources of retail/service-commercial demand:

1. Spending from new West Greeley Subarea households.
2. Spending from new households in the broader trade area captured in the subarea because of regional access/location.
3. Spillover spending from visitors to the Catalyst entertainment district that occurs outside the arena/resort/waterpark venues.

EPS also quantifies the visitor "spillover" component-based on assumptions including 500,000+ arena visitors per year and 108,000+ annual resort room nights (plus additional waterpark visitation) and estimates that aggregate spending outside the attractions can support about 50,000 square feet of supporting retail space (primarily food and beverage).

For City decision making, EPS's demand forecasts are intended to inform land-use planning, infrastructure sizing, retail/office attraction strategy, and phasing, helping the City align timing and scale of commercial development with quantified market support over time.

## Conclusion – Market Demand Foundations

Taken together, the Zonda and EPS studies indicate that West Greeley is positioned to capture sustained, market-supported growth over the coming decades with residential demand driven by broader Northern Colorado market fundamentals and commercial demand scaling as rooftops, regional growth, and destination visitation increase. EPS quantifies that growth translates into substantial supportable commercial space over the next 20 years — approximately 1.8 million square feet total (including about 1.3 million square feet of retail/service-commercial and approximately 525,000 square feet of offices) which provides a data-backed basis for phasing land-use entitlements and sizing/triggering infrastructure investment in step with demonstrated absorption rather than best-case assumptions.

# Project Feasibility: Arena, Resort, and Operations

## Market & Financial Feasibility – Hotel & Leisure Advisors (H&LA)

The H&LA Feasibility Study evaluates whether the proposed Catalyst arena and Youth Hockey Ice Center and the proposed Rocky Mountain Grand Resort with indoor waterpark can operate successfully in the Northern Colorado market, using market comparables and benchmark performance data and producing multiyear operating projections.

The study's feasibility analysis is based on a development program that includes an arena with 8,300 seats (plus three ice sheets and supporting amenities) and a resort program including 411 guestrooms (Scenario 1) and an indoor waterpark area of approximately 74,000 square feet (Scenario 1), plus additional resort amenities (meeting space, food & beverage, family entertainment center (FEC), retail).

H&LA tests alternative performance assumptions through scenario-based analysis (including a resort scenario that assumes branding as a Mattel Wonder Indoor Waterpark), and uses ramp up and stabilization assumptions to avoid reliance on immediate "best-case" performance.

For the arena operating projections, H&LA models an 11-year forecast period beginning in 2029, with operations projected to stabilize in the third year (2031) and then grow at an underlying inflation assumption of 3.0%.

For the arena, H&LA identifies the Colorado Eagles' as an anchor tenant under a 40-year lease (August 1, 2028 – July 31, 2068) providing a defined operating base while still enabling diversified programming beyond hockey such as concerts, family shows, and community events.

H&LA's arena projections are built around 240 events per year and annual attendance of approximately 505,000 in the first year (2029), ramping to about 520,000 by years 2031 – 2032 in the shown forecast.

For the resort and waterpark, H&LA projects demand that extends beyond local residents to a mix of leisure, group, and commercial segments and (for the waterpark) a mix of demand from resort guests, other hotel guests, and day visitors.
In the study's Scenario 2 (Mattel Wonder), H&LA projects hotel occupancy ramping from 72% (2029) to 79% (2032 and thereafter), with occupied room nights increasing from 108,011 (2029) to 118,512 (2032+).

H&LA's waterpark projections (Scenario 2) show annual attendance ramping from 530,652 (2029) to 582,533 (2032+ shown), equating to roughly 6.6 – 7.2 attendance per square foot (based on an 81,000 square foot waterpark in Scenario 2). H&LA states the stabilized year attendance per square foot for Scenario 1 and Scenario 2 is within the range of comparable indoor waterparks presented in the report.

For City decision-making, the feasibility results provide a fact-based foundation for subsequent financial modeling and risk management because the operating outlook is expressed through explicit assumptions, ramp-up periods, and scenario testing rather than purely inspirational projections.

### Conclusion – Project Feasibility: Arena, Resort, and Operations

Taken together, the H&LA feasibility findings indicate the proposed arena and indoor waterpark resort are designed and modeled to operate at a scale that is supportable in the Northern Colorado market, with performance evaluated through explicit ramp up and scenario-based assumptions rather than immediate best-case outcomes. Importantly for City risk management, the analysis clarifies the key operating drivers (anchor tenancy and diversified event programming for the arena, occupancy, room-night capture, and waterpark attendance for the resort) and carries those assumptions forward into subsequent financial modeling. This provides the City with a defensible basis to evaluate public participation, structure performance-based protections and align implementation decisions with measurable operating realities over time.

## Economic Impact and Public Benefit

### Economic Impact – H&LA Economic Impact Study

The Economic Impact Study translates the Catalyst entertainment district (arena, hockey ice center, resort, and water park) feasibility work into community-wide economic outcomes, and estimates impacts associated with construction, facility operations, and increased visitation and visitor spending in Weld County.

**Construction.** H&LA quantifies economic output (spending), earnings, employment, and tax revenues using RIMS II multipliers from the U.S. Department of Commerce/Bureau of Economic Analysis for Weld County, and it defines results in terms of direct effects, indirect/induced impacts, and final impacts (direct + indirect/induced).

Based on an estimated $532.0 million construction budget, H&LA estimates construction activity would generate $738.2 million in total output, $253.2 million in earnings, and 3,759 jobs (annual) in Weld County (final impact = direct + indirect/induced).

**Operations (ongoing, annual)**. For the first year of operations, H&LA estimates a final economic impact of approximately $181.371 million in output, $43.085 million in earnings, and 938 jobs in Weld County, driven by facility operations expenditures and related multiplier effects. Over a 10-year period, H&LA estimates operations would generate **$**2.208 billion in total output, $524.590 million in earnings, and 1,033 jobs per year (final impacts) in Weld County.

**Visitor spend.** In addition to on-site operations, H&LA estimates incremental economic impacts from visitor spending in the broader community outside of the resort and arena (e.g., transportation, food & beverage, retail, amusement/recreation). Combining operations impacts with visitor spending outside the venues, H&LA estimates a 10-year final demand impact of approximately $2.935 billion in output and $705.224 million in earnings, supporting an estimated 1,391 jobs per year in Weld County.

**Fiscal impacts (public revenues)**. H&LA also estimates tax revenues attributable to the project's net-new spending and income, presented for the governmental unit that levies each tax (and explicitly not estimating subsequent redistributions). Over the first 10 years (2029 – 2038), H&LA estimates $271.279 million in total taxes, including $110.852 million to the City of Greeley (and $160.427 million to the State of Colorado), with major categories including sales tax and hotel occupancy tax.

From the City's perspective, these results provide a quantified basis to evaluate public participation against measurable outcomes — expanded economic activity, jobs/earning, and long-term projected tax revenues (e.g., increased sales and lodging taxes) — recognizing that long-range projections are sensitive to future conditions and tax policy changes. Lastly, H&LA notes that 30-year tax forecasts are speculative, may change with tax rates and revenue estimates, and do not account for the time value of money.

### Conclusion - Economic Impact and Public Benefit

Overall, H&LA's Economic Impact Study indicates that the Catalyst arena and indoor waterpark resort would generate measurable economic activity in Weld County through both one-time construction impacts and ongoing operations and visitor spending, with impacts expressed in standard terms (direct, indirect/induced, and final impacts). In particular, H&LA estimates construction would generate approximately $738.2 million in total output, $253.2 million in earnings, and 3,759 annual jobs, and that combined operations plus visitor spending outside the venues would support approximately $2.94 billion in total output, $705.2 million in earnings, and 1,391 jobs per year over a 10-year period. These quantified results — together with H&LA's tax methodology (showing fiscal impacts by the governmental unit that levies each tax and not estimating subsequent redistributions) provide a documented basis for the City to evaluate public benefit alongside feasibility and financing considerations, while recognizing that long-range projections are sensitive to future economic conditions and policy assumptions.

## Financial Structure and Risk Management

### Plan of Finance and Fiscal Modeling

The Plan of Finance and associated fiscal modeling integrate the market, feasibility and economic impact assumptions into a single set of cash-flow projections that illustrate expected project-generated revenues, proposed sources and uses of funds, and the timing and coverage of debt service under multiple performance conditions. This work is used to evaluate how the proposed funding approach is structured to support project delivery while managing the City's fiscal exposure and preserving appropriate governance oversight.

The current financing structure includes:

1. Certificates of Participation (COPs) for predevelopment funding
2. Revenue bond financing (Provident 501(c)(3)) with City credit enhancement
3. A moral obligation component
4. An annual Economic Development Payment (EDP)

5. General Improvement District (GID) (with water/wastewater enterprise revenue bonds also identified as a related component to be discussed separately)

Key risk management & mitigation features reflected in the financing approach include:

- Phasing & Gating. Sequencing public commitments and project funding in steps tied to defined milestones, deliverables or performance indicators.
- Use of project-generated and district-based revenues**.** Reliance on project-area tools such as a GID; executed project documents include a GID bond model exhibit showing $129 million in "Westside General Improvement District Special Revenue Improvement Bonds" capacity assumptions.
- Conservative/third party-informed assumptions**.** The preliminary financial model assumes revenues and expenses from the H&LA feasibility study for the Mattel scenario and notes active refinement of reserves and project costs to meet repayment timing goals (including an EDP target timeframe).
- Appropriation-based City commitments and oversight. COP issuances totaling $115 million are reported as closed (with named lenders), with a weighted average annual interest rate of 5.56%, and Council materials summarize draws-to-date, capitalized interest through December 31, 2026, and the first scheduled interest/principal payment dates if not taken out/refinanced.

Governance takeaway: This proposed structure is framed as a managed, performance-aware approach intended to be catalytic (supporting early-stage delivery and unlocking private investment) while maintaining transparency, reviewability, and the ability to adjust decisions over time through defined oversight points and updated modeling.

## How the Studies Work Together

The West Greeley study set is designed to function as a sequenced chain of evidence — where each consultant's work provides an input, constraint, or validation point for the next step, and where later financial modeling is explicitly grounded in third-party assumptions rather than "best case" aspirations. Each study answers a different question, but they are intentionally interdependent:

1. Residential growth establishes the long-run "rooftops" foundation (Zonda). Zonda evaluates the competitive market area (CMA) and provides an absorption-based view of how residential growth could materialize over time. As a key decision-use output, Zonda estimates the subject property could capture approximately 4.0% to 29.0% of CMA future home closings, with performance dependent on supply timing, pricing/product alignment, and market cycles.

2. Rooftops + regional growth + Catalyst visitation translate into supportable commercial scale (EPS). EPS then converts the growth context into a quantified commercial demand outlook for the West Greeley Subarea. EPS estimates total commercial demand over the next 20 years of approximately 1.8 million square feet (including approximately 1.3 million square feet of

retail/service-commercial and approximately 525,000 square feet of offices).

EPS also quantifies a visitor-driven "spillover" component — estimating demand for roughly 50,000 square feet of supporting retail space from spending that occurs outside the arena/resort/waterpark venues — and describes how visitor spending assumptions are structured to avoid double counting (e.g., accounting for trade area visitation shares).

3. Feasibility testing evaluates whether the anchor uses can operate at the proposed program (H&LA Feasibility). H&LA uses market comparables/benchmarks and scenario-based ramp-up logic to test the operating feasibility of the proposed anchor components at their modeled scale (e.g., an arena program shown at 8,300 seats with 240 events/year and attendance modeled around 505,000–520,000 annually in early years). This feasibility layer is important because it provides operating performance assumptions (attendance, occupancy/ramp up, visitation patterns) that are later used in visitor spending estimates and City fiscal modeling rather than relying on untested programming projections.

4. Economic impact translates operations into quantified public-benefit outcomes (H&LA Economic Impact). Building on the feasibility projections, H&LA estimates economic outcomes in Weld County using standard impact definitions (direct, indirect/induced, and final impacts). For example, H&LA presents a combined 10-year "final demand impacts" estimate for output and earnings (and associated employment) from resort operations and visitor spending outside the venues, totaling approximately $2.935 billion in output and $705.224 million in earnings over 10 years (with annual employment shown around 1,391 in stabilized years).

5. Fiscal modeling integrates the assumptions into a performance-aware funding and oversight structure (Plan of Finance/Financial Model): Finally, the Plan of Finance and associated fiscal modeling integrate the demand, feasibility, and economic impact assumptions into cash-flow projections used to evaluate sources/uses, timing, and debt coverage under multiple performance conditions—and to frame risk management tools such as phasing/gating, appropriation-based oversight, and reliance on project/district-based revenues where applicable.

6. The City's Council-facing financial model presentation explicitly shows that the West Greeley Subarea scenario incorporates EPS total commercial demand and Zonda residential demand as core buildout inputs (e.g., retail space shown at 1,316,000 square feet, office space shown at 524,780 square feet, and taxable sales shown at $667M [year 2045] in the model summary).

Together, these studies provide a "closed loop" logic for municipal decision-making: market demand → supportable commercial scale → operating feasibility → quantified public benefits → risk-managed financial implementation. This framework supports a phased, oversight-driven approach rather than treating the Catalyst Project as a single all-or-nothing bet, and it creates an auditable basis for aligning timing of entitlements, infrastructure, and financial commitments to measurable performance indicators.

### Conclusion

Collectively, the independent studies provide a sequenced, evidence-based basis for City decision-making. Zonda frames long-run residential absorption potential in the Cascadia/Catalyst competitive market area (including an estimated subject-property capture range of approximately 4% to 29% of CMA closings), EPS translates growth and destination visitation into quantified commercial demand over the next 20 years (approximately 1.8 million square feet total, including about 1.3 million square feet retail/service-commercial and approximately 525,000 square feet for offices, with an estimated 50,000 square feet of supporting retail tied to visitor spillover), and H&LA tests operational feasibility through scenario-based ramp-up assumptions for the anchor uses (including an arena program modeled at 240 events/year and approximately 505,000 – 520,000 annual attendance in early years).

These feasibility inputs then roll into H&LA's Economic Impact analysis, which presents quantified public-benefit outcomes (e.g., combined operations plus visitor spending outside venues totaling approximately $2.935 billion in output and $705.224 million in earnings over 10 years, supporting roughly 1,391 jobs per year), along with fiscal impact estimates and cautions regarding the sensitivity of long-range tax forecasts.

In parallel, the City's Plan of Finance and fiscal modeling are structured to integrate these third-party assumptions into cash-flow projections to evaluate sources/uses, timing, and risk management features (phasing/gating, district-based tools, and appropriation-based oversight) so that public participation can be aligned with verified demand, measured performance, and ongoing governance review.

## Recommended Next Steps

1. **Confirm the decision gates**. Identify the specific milestones/performance indicators that must be met before any additional City commitments (land use, infrastructure, or financing) proceed.

2. **Standardize the "single set of assumptions."** Formally adopt (as an appendix/table) the exact Zonda/EPS/H&LA inputs that the fiscal model is using, so future updates remain auditable and comparable over time.

3. **Document sensitivity cases for governance.** Ensure the Plan of Finance materials presented to decision-makers include downside cases that align with the feasibility ramp up and long-range economic-impact cautions (and clearly state what changes under those cases).

4. **Align phasing with infrastructure and absorption.** Use the EPS demand horizon and Zonda absorption pacing to confirm that land use entitlements and infrastructure timing are synchronized with demonstrated market support rather than aspirational buildout.

5. **Prepare the public-facing "risk and oversight" summary.** In plain language, present what is project/district-funded, subject to annual appropriation/renewal, and monitored through ongoing reporting — so the public record clearly reflects the intended risk posture.