

GEORGE K. BAUM & COMPANY'S RESPONSE TO
COLORADO SPRINGS
URBAN RENEWAL AUTHORITY

REQUEST FOR PROPOSAL FOR BOND UNDERWRITING SERVICES OR
BANK DIRECT PURCHASE FOR THE UNITED STATES OLYMPIC MUSEUM FINANCING



March 25, 2016

Ms. Stephanie Chichester
North Slope Capital Advisors
steph@northslopecapital.com

Mr. Nick Taylor
North Slope Capital Advisors
nick@northslopecapital.com

RE: REQUEST FOR PROPOSALS | BOND UNDERWRITING SERVICES OR BANK DIRECT PURCHASE

Dear Steph and Nick,

George K. Baum & Company (“GKB”) welcomes the opportunity to provide the Colorado Springs Urban Renewal Authority (“CSURA”) with investment banking/placement agent service for the United States Olympic Museum Project (“the Project”, “the Museum”). The United States Olympic Museum will profoundly impact the State’s tourism industry and provide a unique visitor experience to Colorado and out of State visitors. We are proud of all the work we have done so far on the financing component of the project and we look forward to continuing our relationship with the CSURA and the Museum.

GKB stands out in many ways and we highlight below several of these key distinguishing features:

Significant Experience Serving the USOM

Unlike other responding firms, the GKB team has significant experience serving the Museum. The Museum’s bond issue represents the first ever of its kind – to date no other State of Colorado Regional Tourism Act project has structured or issued bonds. The inaugural nature of this prospective bond issue has presented numerous challenges to properly interpret the legal status of the bond issue and appropriate process to properly issue these bonds. The Museum and CSURA have a unique set of legal, financial and procedural issues.

Over the past two years we have become intimately familiar with the project objectives, goals, financing considerations/constraints, personnel, and political importance of this project. GKB is best positioned to obtain the Museum the lowest cost financing while also meeting all of the goals.

We highlight below what sets GKB apart from other firms:

- Understanding of existing Sales Tax Increment Revenue and anticipated future growth.
- Financing models in place incorporating debt capacity, revenue estimates, sensitivity analysis, coverage, and appropriate sizing.
- Legal framework and history.
- Working relationships with staff, lawyers, and board.
- Our Firm has evaluated the credit and potential rating opportunity of these bond. We are prepared to seek a rating agency private credit assignment if desired.
- An RFP for Bank Direct Placement of Tax Increment bonds has been prepared along with a detailed term sheet and Plan of Finance.
- Only George K. Baum & Co. can work with the CSURA, the Museum, and the Financial Advisor to immediately offer the bonds to potential investors and close late May or June.....no time will be lost in selecting GKB.

GKB: Unmatched Municipal Bond Experience in Colorado Springs & El Paso County

- Team Experience in Colorado Springs: George K. Baum & Company – including Robyn, Lee, and Scott who will work directly with the Museum – have had the privilege of assisting the City of Colorado Springs, Colorado Springs Utilities, El Paso County and others on extremely diverse array of bond issues over the past couple of decades. No other investment bank understands and cares about Colorado Springs more than George K. Baum & Company. This is particularly important as it pertains to the considerable intergovernmental aspects of the project.

- Commitment to Olympics in Colorado Springs: We have a demonstrated commitment to not just the City of Colorado Springs, but also the US Olympic Committee and keeping the Olympic operations focused in the City. Over a period of about five years, we worked with the City to help keep the USOC in Colorado Springs for at least 25 years. That effort culminated in a Certificate of Participation issued by the City (\$31,470,000) with proceeds used to construct the new downtown USOC headquarters, headquarters for Olympic sport organizations and improvements to the Olympic Training Center. The Museum will provide an amazing Olympic experience to showcase the City's Olympic spirit.

Colorado Direct Placement Leader

GKB is an industry leader with structuring private placements. Several noteworthy points about our direct placement experience:

- GKB has completed over 51 private placement financings in Colorado the past four years totaling over \$381 million in par. This experience has provided us with extensive expertise and insight into the market and allows us to target the most appropriate banks for an RFP, and the ability to negotiate out restrictive covenants that many banks would typically want in a direct placement. For private placements, GKB prepares a qualitative and quantitative summary of the financings options provided by the responding banks.
- A significant portion of the issuers we helped navigate through the bank direct placement process did not carry an investment grade bond rating.

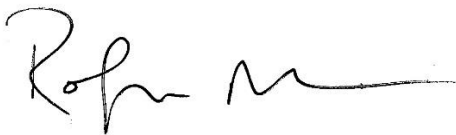
Colorado's #1 Underwriter & Local Colorado Expert

- GKB consistently ranks as Colorado's leading underwriter based on the number of negotiated issues underwritten as sole or senior manager from 2011 to 2015. Since 2011, GKB has senior managed 151 negotiated issues originating in Colorado. Our unmatched activity in the primary and secondary markets will benefit the Museum in developing the optimum financing structure.

GKB cares deeply about this project and is excited to get back to work. The US Olympic Museum will become one of the most iconic and exciting visitor experiences in our country. We have felt so fortunate to work on the financing of such an amazing project. We look forward to getting back to work and making sure we exceed everyone's expectations when it comes to understanding and executing a sound financial plan.

Very sincerely yours,

GEORGE K. BAUM & COMPANY



Robyn Moore
Senior Vice President




Lee White
Executive Vice President

Table of Contents:

1. Financing Team.....	Page 1
2. Distribution Channel.....	Page 2
3. Investment Grade Rating.....	Page 5
4. Structuring Features.....	Page 7
5. Timing Considerations.....	Page 9
6. Financing Schedule.....	Page 11
7. GKB's Credentials.....	Page 14
8. Fees.....	Page 17
9. Interest Rates.....	Page 18
10. Additional Information.....	Page 19
11. Conflicts of Interest.....	Page 21

- Appendix A: Colorado Direct Placement Experience
- Appendix B: GKB Team Bios
- Appendix C: Revenue Estimates
- Appendix D: MSRB G-17 Disclosure
- Appendix E: Bank Direct Placement Cover Letter and Term Sheet
- Appendix F: Sample Debt Service Schedules

When we are engaged by an issuer to serve as underwriter or placement agent for a specific municipal securities transaction, we act as a principal in a commercial, arm's length transaction with that issuer, and not as its financial advisor or fiduciary for that transaction. As an underwriter or placement agent, we have certain financial and other interests that differ from those of the issuer.

Member FINRA 
www.finra.org www.sipc.org

COLORADO SPRINGS URBAN RENEWAL AUTHORITY | REQUEST FOR PROPOSALS

1. Financing Team

Please provide the legal name of the firm, contact information for the professional responsible for managing the financing process, and names of other professionals that will work on the proposed financing in a day-to-day capacity.

Legal Name of Firm & Location

George K. Baum & Company
 1400 Wewatta Street; Suite 800
 Denver, Colorado 80202

Primary Day to Day Contact

Robyn Moore, Senior Vice President
 Phone: 303.391.5495
 Email: moore@gkbaum.com

GKB Financing Team & Roles

Robyn Moore, Senior Vice President, will serve as CSURA and the Museum's primary day-to-day contact. Ms. Moore has worked with GKB since 2004 and has worked with many municipal issuers in Colorado Springs and throughout Colorado. **Lee White**, Executive Vice President, will provide banking and transaction support to Ms. Moore.

Ms. Moore and Mr. White have worked on the Museum financing since 2014 and will continue committing themselves to guarantee a successful financing.

Scot Shad, Assistant Vice President, will continue to assist with transaction management and the preparation of quantitative analysis. **Brandon Sherwood**, Associate, provides transaction support.

Marc Dispense, Executive Vice President, will oversee syndication and underwriting functions (if public bond offering) with support from **Lisa May**, Senior Vice President.

Our specialty financial products desk is led by **Liz Barber**, Executive Vice President, will also be available to assist the Museum with any short term or variable-rate products, as necessary. **Jeremiah Miller**, Senior Vice President, and **Alec Lehrer**, Senior Vice President, will also assist the Museum with any short term or variable-rate financings.

Please see **Appendix B** for full GKB team bios.

Availability and Accessibility of Team: All of GKB's team serving the Museum comes from our Denver headquarters. We will commit unmatched resources to the Museum and will pull in the necessary experts (which will also come from our Denver headquarters) to best formulate strategies and solutions if selected.

George K. Baum & Company Financing Team		
Investment Banking Team		
Robyn Moore <i>Senior Vice President</i> (303) 391-5495 moore@gkbaum.com Lead Banker 20 years experience		Lee White <i>Executive Vice President</i> (303) 391-5498 whitemi@gkbaum.com Support Banker 35 years experience
Transaction & Quantitative Support		
Scott Shad <i>Assistant Vice President</i> (303) 391-5520 shad@gkbaum.com Transaction Support 5 years experience		Brandon Sherwood <i>Associate</i> (303) 391-5485 sherwood@gkbaum.com Transaction Support 1 year experience
Syndicate Desk		
Marc Dispense <i>Executive Vice President</i> (303) 391-5438 dispense@gkbaum.com Lead Underwriter 13 years experience		Lisa May <i>Senior Vice President</i> (303) 391-5434 mayl@gkbaum.com Underwriter 12 years experience
Specialty Financial Products Desk		
Elizabeth Barber <i>Executive Vice President</i> (303) 391-5599 barber@gkbaum.com 13 years experience	Jeremiah Miller <i>Senior Vice President</i> (303) 391-5576 miller@gkbaum.com 11 years experience	Alec Lehrer <i>Senior Vice President</i> (303) 391-5512 lehrer@gkbaum.com 14 years experience

2. Distribution Channel

Discuss which distribution channel is likely to produce the lowest cost financing for the project, bond issue or bank loan. Include a comparison of the different risk profiles of the two alternatives. Assume current market interest rates as of March 17, 2016.

Comparison of Bond Issue or Bank Loan – Lowest Cost Option

Assuming the Bonds cannot garner an investment grade rating, the optimal distribution channel for the Museum to consider is a bank direct placement based on the following key criteria:

- Lowest interest cost
- Redemption flexibility
- Maximizing bond proceeds
- Bank appetite in the current market.

The major drawback of a Bank Direct Placement is that it is unlikely the bonds interest rate can be fixed past 10 years. Therefore a Bank Direct Placement does impose interest rate risk on the CSURA at the end of the initial interest rate term. The advantage of an investment grade rating is that the bonds rate could be fixed to a 20 year final maturity.

We outline below scenarios for both a bank direct placement and a public offering – and we discuss in more detail in Question 4 the unique structuring elements of this bond issue as it pertains to these options.

Colorado Springs Urban Renewal Authority

United States Olympic Museum Project

Comparison of Financing Options

Scenario	Term	Par Amount	Project Fund Amount	All In Cost	Total Debt Service	Annual Debt Service Coverage	Total Revenues *	Final Maturity
Bank Direct Placement Scenarios								
Bank Placement - 2.89% Rate	5 Years	\$34,095,000	\$30,000,000	3.10%	\$45,571,298	1.35x	\$62,660,000	2032
Bank Placement - 3.09% Rate	7 Years	\$34,095,000	\$30,000,000	3.30%	\$46,419,426	1.32x	\$62,660,000	2032
Bank Placement - 3.22% Rate	10 Years	\$34,095,000	\$30,000,000	3.43%	\$46,974,799	1.31x	\$62,660,000	2032
Public Bond Offering Scenarios								
Bond Issue - 'BBB-' Rating	17 Years	\$29,245,000	\$30,000,000	3.73%	\$47,992,654	1.34x	\$62,660,000	2032
Bond Issue - Non Rated	17 Years	\$34,595,000	\$30,000,000	5.37%	\$57,642,070	1.14x	\$62,660,000	2032

Lowest Interest Rate/Cost
Increasing Redemption Flexibility



Assumptions:

Rates as of March 17, 2016 and dated date of May 1, 2016.

Assumes average growth rate of 2.00%

Estimated 2% Costs of Issuance.

Fully Funded Debt Service Reserve Fund.

Base sales tax of \$169.5 million provided by State.

52% in State TIF Revenues for the U.S. Olympic Museum project includes 42% for the Museum and an additional 10% for infrastructure projects.

*\$62,660,000 is maximum State TIF Revenue collection for U.S. Olympic Museum.

Key Characteristics of a Bank Direct Placement

- Lower interest rate (3.10% to 3.43%) and stronger debt service coverage (1.3x range).
- Greater redemption flexibility - The direct placement scenarios assume a fully amortizing schedule and we anticipate banks would be willing to provide a 3-year call for each of the 5, 7 and 10-year terms.
- Greater amount of bond proceeds as compared to a public offering, which slightly reduces fundraising targets.
- Lower costs of issuance expenses.

- Inability to fix interest rate to final maturity thus requiring an interest rate reset

Key Characteristics of a Public Offering

- Higher interest rate (3.73% (rated, which we believe difficult to attain at this point in time) to 5.37% (non-rated) as compared to a bank direct placement.
- Higher debt service coverage by S&P to obtain investment grade rating (at least > 1.4x).
- Longer 10-year call with less refinancing flexibility, particularly important since we expect the credit rating to improve considerably.
- Extraordinary call language would likely raise a red flag for rating agencies/investors (see further discussion in Q3).
- Rating agency concerns for bridging the addition \$14 million in fundraising pledges.
- Ability to fix the interest rate to final maturity.

Revenue Assumptions & Maximum Sales Tax Increment Revenue (\$62.66 Million)

- RTA Zone State Sales Tax Base: \$169,503,178 (as calculated by the State of Colorado)
- Revenue Base: Revenues from the percentage of State Sales Tax Increment Revenue (52% with 42% designated to Museum and additional 10% allocated by the City for infrastructure improvements) to be received for the U.S. Olympic Museum project.
- Maximum RTA Zone State TIF Revenue: RTA Zone will generate a maximum of \$120.5 million in net new sales tax in the RTA over a maximum of 30 years.
- Maximum Sales Tax Increment Revenue: State Sales Tax Increment Revenue for the U.S. Olympic Museum project that shall not exceed \$62,660,000 (52% * \$120,500,000) over the course of the financing term.
- Existing Revenues:
 - 2014 City for Champions Sales Tax Revenues: \$760,632.07 (actual)
 - 52% to U.S. Olympic Museum = \$395,529
 - 2015 City for Champions Sales Tax Revenues: \$2,167,943.91 (actual)
 - 52% to U.S. Olympic Museum = \$1,127,331

GKB Revenue & Amortization Assumptions: Based on these revenue constraints and a conservative 2% growth rate in the sales tax base (historical 10-year at 3.18%), the maximum sales tax increment revenue to the Museum is reached in year 2032 (17 year term). Please see **Appendix C** for a full breakout of our revenue estimates for the Museum. Please see **Appendix F** for sample debt service schedules.

Ongoing Risks of Bank Direct Placement and Fixed Rate Public Offering

The table below highlights the risks associated with a bank direct placement and a fixed rate public offering for the Museum. GKB has had success negotiating a number of the ongoing risks out of the financing documents based on the credit strength of the borrower and the competitiveness of the marketplace. GKB's understanding of the current and future credit profile of the Museum best positions us to negotiate out as many risks associated with the financing.

Bank Direct Placement Risks

- Covenant Default - trip a liquidity covenant or DSC requirement.
- Non-payment - failure to pay principal or interest.
- Bankruptcy/Insolvency - Museum goes bankrupt.
- Non-financial covenant default - failure to meet reporting requirements.
- Regulatory - change in regulations by the SEC.
- Repricing/Refinancing - increase or change in rate prior to or after final term.
- Renewal - bank is unwilling to renew and Museum must solicit new bids.
- Repricing - increase in interest rate by bank after final term.
- Tax - change in tax law.
- Bank Change of Control - bank is purchased by another firm.
- Non-financial covenant default - failure to meet reporting requirements.

Fixed Rate Public Offering Risks

- Covenant Default (not expected) - trip a liquidity covenant or DSC requirement.
- Non-payment - failure to pay principal or interest.
- Bankruptcy/Insolvency - Museum goes bankrupt.
- Non-financial covenant default - failure to meet reporting requirements.
- Extraordinary call language - potential red flag to investors if fundraising/construction not completed.

3. Investment Grade Rating

Indicate whether you believe this financing can achieve an investment grade rating. Provide your views of the credit strengths and weaknesses of the project and the cost/benefit of pursuing a rating versus selling the bond issue or bank loan as non-rated.

At first glance this financing seems like it should receive an investment grade rating, as it has a number of clear credit strengths, noted below. However, we also note several offsetting features that are very unique to this transaction and would likely result in rating very close to but likely below the investment grade threshold. **That said, in several years after completion of the Museum, its successful operation, and stabilization of the sales tax base, virtually all of the risks noted will no longer exist. We are very confident the credit would then receive an investment grade rating.** This will benefit the Museum in terms of an attractive bond refunding opportunity.

GKB believes if the CSURA and the Museum want to test the ratability of the credit it can apply for a non-public credit assessment of the sales tax bonds.

Cost/Benefit of Pursuing a Rating versus Selling the Bonds As a Bank Loan or Non-Rated

- **Dual Track Approach:** In order to ensure the lowest cost for the issuance, GKB recommends the Museum compare the results of the bank bids to the public bond market to compare pricing. The dual track process involves distributing an RFP and term sheet to commercial banks, receiving the bids back, then comparing those bids to interest rates the Museum could obtain through a public offering. After comparing the two types of offerings, we would recommend the Museum proceed with the lowest cost option. As part of the public offering, GKB recommends the Museum approach Standard & Poor's for a credit assessment or confidential rating which we explain in more detail below.
 - **Cost of S&P Credit Assessment:** After distributing a term sheet to banks, GKB would simultaneously approach S&P for a confidential credit assessment. The credit assessment will determine whether the Museum project is an investment grade credit. If the Museum is an investment grade credit, a public bond issue may provide stronger pricing. However, even if the credit is sub-investment grade (below BBB-), a high "BB" rating from S&P could enhance pricing indications from responding direct placement banks. The cost for a credit assessment is 70% of the full rating fee which would be approximately \$22,000 (70% = \$15,400) to \$28,000 (70% = \$19,600).
- **Cost of BBB- Bond Issue versus Bank DP:** Even if the Museum obtains an investment grade rating (BBB- or above), the interest rate cost of a public bond issue is still higher than a bank direct placement.
 - **If, as we expect, the bonds are not investment grade rated the likely fixed to final maturity interest rate in today's market would be about 5.37%. If the bonds received an investment grade rating then the bonds rate would be much more attractive, about 3.73%. Alternatively, a bank direct placement could provide a significantly lower rate depending on the interest rate term.**

Credit Strengths

- The TIF District boundaries include virtually all of the City of Colorado Springs which itself is a strong credit (rated AA+ for outstanding Sales Tax Bonds).
- Sales tax collection in the City of Colorado Springs (the source of tax increment revenue driving the bond repayment stream) has remained very strong. Over the past 10 years the City's sales tax has enjoyed annual average growth of 2.58%. The only decline in sales tax collections occurred in 2008 and 2009 totaling a 10.7% two year decline. Sales taxes have recovered smartly in the subsequent years.
- The US Olympic Museum already has received two years of sales tax base increment (\$5,815,230 in 2014 and \$16,574,495 in 2015) which demonstrates a commitment from the State of Colorado to the Project. The taxes apportioned to the Project is approximately \$395,500 in 2014 and \$1,127,300 in 2015.
- Technically the sales taxes are pledged to the sales tax increment revenue bonds regardless of Project success or even project completion.

Offsetting these positive credit features are the following.

- Significant Fundraising Requirement: A significant portion of the plan of finance requires fundraising contributions. Not all of these funds are committed and a significant portion of the committed funds will come in over several years, posing a risk that the Museum may not receive all required funds for project completion. Therefore these pledges will have to be bridged with a bank loan in order to have all the funds on a timely basis for construction. We doubt a rating agency would provide an investment grade rating for sales tax increment bond without all Project construction and operation funds in hand.
 - Construction costs will total approximately \$73 million. Our debt capacity analysis show sales tax increment (received to date and projected through the life of the bond issue) of approximately \$62.66 million based on the revenue constraint for the project. Based on the revenue constraint, the Museum can bond finance approximately \$30 – 40 million.
 - To date the Museum has pledged commitments for approximately \$30 million and has a strong confidence that it will soon have commitments for the remaining portion. As noted above, \$14 million of additional pledges or gifts must be secured and therefore remain uncertain at the time of the bond rating process.
- Conservative Financing Assumptions That Maximize Bond Proceeds Not Consistent With Investment Grade Rating. Our financial models that calculated a debt capacity of approximately \$35 million assume a 1.20 times debt service coverage and 2% annual sales tax growth.
 - While we believe these are acceptable revenue growth and debt service coverage targets for a bank direct placement, an investment grade rating would require stronger debt service coverage targets and less aggressive annual growth assumption.
- Construction Risk. Again, at the surface this looks like a straight forward sales tax increment bond issue where construction risk should not matter. Even if the project never gets built the State will still remit sales tax revenue to the CSURA for payment on the bonds. In fact, bond counsel is has made clear that once bonds are issued the State cannot hold back funds for bond repayment.
 - However, incomplete construction would trigger an extraordinary call and a redemption of the bonds from unspent proceeds. The sales tax increment would likely decrease but remain in an amount sufficient to pay off the bonds.
 - The extraordinary call would represent “the ultimate of story bonds” and would likely raise a red flag for rating agencies (and investors), as this scenario has never been tested.

4. Structuring Features

Identify any structuring features you believe to be important to a successful sale of the financing including flow of funds, debt service coverage, other financial covenants, redemption features, the value of credit enhancement and any other structuring considerations.

Structuring Features

The structuring features outlined below **reflect the CSURA and USOM's objectives of using conservative financing assumptions that give everyone comfort that debt service will get paid even under potentially stressful economic environments while making sure the Project receives enough funds to complete construction.**

- **Flow of Funds:** The Museum will receive RTA State Sales Tax Increment Revenues which will be used to pay debt service on the financing. It is estimated that the four projects within the RTZ will generate \$120.5 million in net new sales tax in the RTZ over 30 years. Of the total, 52% will be allocated to the U.S. Olympic Museum (42% designated to Museum and additional 10% allocated by the City for infrastructure improvements) resulting in a total cumulative amount of State Sales Tax Increment Revenue to the U.S. Olympic Museum project that shall not exceed \$62,660,000 over the course of the financing term. Annually, the amount of revenues from the increment is calculated by the State and City based on sales tax collections and growth in the RTA zone.
- **Debt Service Coverage:** The bonds would likely not have a debt service coverage requirement as the TIF district does not have the legal ability to increase revenues. That being said, we anticipate responding direct placement banks will desire a 1.2x coverage level based on existing revenues and anticipated future revenues. Similarly, to obtain an investment grade rating, it is likely the debt will need to be sized at a higher level (at least 1.40x and likely higher).
- **Other Financial Covenants:** Below we highlight the anticipated financial covenants for a bank direct placement and a public offering.
 - Bank Direct Placement:** Banks will also require a fully funded debt service reserve fund, an additional bonds test, and financial reporting requirements. These requirements are standard for a bank direct placement; however, if there are any onerous or unusual terms we will work to negotiate these out. Since these bonds are considered governmental purpose bonds (not be a 501(c)3 private activity bonds), there will not be a lien on the property based on Colorado law. Finally surplus tax increment amounts in excess of annual debt service will be held in a Surplus Reserve Fund Account to protect both CSURA/Museum and bond investors in the event future tax increments decline.
 - Public Bond Offering:** Investors for a public bond offering will require similar covenants to a bank direct placement. These covenants include an additional bonds test, a debt service reserve fund, and could be purchased only by Qualified Institutional Buyers with higher denominations if non-rated. Finally surplus tax increment amounts in excess of annual debt service will be held in a Surplus Reserve Fund Account to protect both CSURA/Museum and bond investors in the event future tax increments decline.
- **Redemption Features:** GKB recommends the Museum consider the shortest redemption provision possible due to the additional flexibility/optionality to refinance the bonds on more favorable terms as the credit quality of the Museum improves. Once the Museum begins operations in February 2018 and the sales tax base continues to improve, we anticipate the Museum can obtain an investment grade rating at which point the bond issue can be refinanced at a lower interest rate and on more favorable terms. The bank direct placement market will provide significantly more favorable redemption provisions for the financing. We have highlighted potential redemption provisions below:
 - **Bank Direct Placement:** banks would likely be willing to provide a 3-year call to the Museum with a 5, 7, or 10 year term financing.
 - **Public Bond Offering:** a 10-year par optional redemption on December 1, 2026 is the market standard for a public offering. However, given low supply and additional investor flexibility in the current market, investors could potentially provide a shorter 7-year call at a slight rate premium.

- Value of Credit Enhancement: Based on our discussion and pricing indications with the bond insurers, we do not believe the insurers would provide insurance on this financing. However, preliminary indications based on an investment grade rating are 170 basis points for bond insurance and 400 basis points for a surety (insurance for the debt service reserve fund). These insurance indications assume an investment grade rating of BBB-.
- Other Structuring Considerations
 - Surplus Revenues: Based on sizing for 1.2x coverage, there will be surplus revenues above debt service. These surplus revenues should be held to build a reserve account for future debt service payments or pay down debt.
 - Revenue Cap Limitation: The Museum's revenue for debt service is capped at \$62.66 million based on RTA statutes resulting in a limited revenue stream for debt service. As such, once this amount is reached, there is no additional revenue for debt service. Due to the revenue limitation, the debt capacity of the Museum is constrained by factors such as the growth rate, amortization, interest rate, debt service coverage, etc. GKB is uniquely familiar with these structuring considerations after working with the Museum since 2014.

5. Timing Considerations

Please identify any timing considerations you feel the CSURA and USOM should be mindful of in terms of interest rate risk, ideal time for issue pricing, or other economic or supply considerations.

Timing Considerations

We highlight below several timing considerations for the Museum to consider in order to obtain optimal pricing and mitigate any unforeseen market movements prior to pricing (public sale) or locking in the interest rate (bank direct placement).

- **Interest Rate Risk:** For either a bank direct placement or a public bond offering, GKB recommends the Museum lock in a fixed interest rate instead of a variable rate given the historically low interest rate environment. Therefore, there would be less interest rate risk associated with the financing for the Museum. As indicated above a bank direct placement will likely have a maximum 10 year interest rate term thus requiring one interest rate reset.
- **Project Related Considerations**
 - **Timing of Bond Issue As It Relates to Fundraising Efforts:** We understand the timing of the financing is based on receiving final commitments from fundraising pledges. The Museum still needs to raise an additional \$14 million through fundraising efforts. An important concern for potential investors would be the certainty to complete the Museum project given the remaining fundraising needs. GKB would work with the Museum, financial advisor, and board to appropriately determine when to close the financing based on fundraising efforts and a bridge loan financing.
 - **Bridge Loan Financing:** GKB recognizes the Museum may have a need for a bridge loan to provide bridge financing to pay construction costs as fundraising contributions become available. Fundraising contributions will be applied as cash gifts are received. After the Museum obtains financing for the Museum project, we would work with the strongest bank RFP bidders to secure any necessary bridge financing based on the fundraising commitments to date.
- **Ideal Time for Issue Pricing and Supply Consideration:** Below we highlight timing and supply considerations for a public offering and a bank direct placement.
 - **Public Offering:** As one of only two investment banks in Colorado with a syndicate desk we are always in tune with the marketplace. This experience and knowledge will prove paramount to the Museum up until the day of pricing. For a fixed rate issue, GKB would monitor the municipal marketplace and the economic calendar to ensure that the day of pricing represents a stable marketplace. In scheduling the optimal date of pricing for the District, GKB will actively monitor the anticipated bond sales of similar credits in Colorado to maximize potential investor interest in the Museum's bond issue.
 - **Bank Direct Placement:** Similarly, for a direct placement, it is important to lock the rate once all terms and covenants have been finalized in documents as bank costs of funds fluctuate based on an internal index or one such as the U.S. Treasury Note. Banks can often lock in the interest rates up to 30-45 days prior to closing. Given a potential Fed hike (see below) and the low interest rate environment, we recommend the Museum consider locking in the rate at the earliest opportunity.
- **Economic Considerations:** GKB recommends the Museum avoid issuing its bonds on days with major economic data releases which could cause investor uncertainty and adverse movements in rates. Below we highlight the Fed Rate hike probabilities which the Museum should consider since it could impact the pricing of the financing.
 - **Fed Rate Hike Probabilities:** While the probability of a Fed Rate hike in 2016 is low, GKB recommends the Museum consider issuance prior to September 2016 when the probability of a rate hike for short term rates to 75 - 100 basis points increases to greater than 50%. (Source: CME Group, FedWatch)
 - April 27: 7%
 - June 15: 38%
 - July 27: 47%

- September 21: 60%
 - November 2: 64%
 - December 21: 74%
 - February 1: 76%
- Other Considerations: IRS New Special District Regulations: On February 22, 2016, the Internal Revenue Service released proposed treasury regulations to provide guidance as to how the IRS intends to prospectively define a political subdivision for purposes of allowing political subdivisions to issue tax-exempt bond under Section 103 of the Internal Revenue Code. The proposed regulations would mainly impact special districts formed by developers to provide infrastructure for new development. These issuers may be forced to issue their bonds as taxable issues going forward.
 - Impact on URA Financing: Given the proposed regulation change, there could be a significant increase in financings for developer transactions to capitalize on the tax exempt status of a bond issue prior to the regulation change to a taxable issue. The hearing is scheduled for June 6, 2016. As a result, we anticipate increased supply for bank direct placements for special district formed by developers, which could result in an increased cost of funding and reduced appetite for new issues by direct placement banks and would like the Museum project to lock in funding ahead of this potential surge in supply.

6. Financing Schedule

Please provide a schedule outlining key financing activities and dates, from selection of a banking firm, to successful closing of a financing.

Proposed Timetable

3/17/2016

Mar-16							Apr-16							May-16							Jun-16												
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa						
		1	2	3	4	5			3	4	5	6	7	8	9			1	2	3	4	5	6	7			5	6	7	8	9	10	11
6	7	8	9	10	11	12	10	11	12	13	14	15	16	17	18	19	8	9	10	11	12	13	14	12	13	14	15	16	17	18			
13	14	15	16	17	18	19	17	18	19	20	21	22	23	24	25	26	15	16	17	18	19	20	21	19	20	21	22	23	24	25			
20	21	22	23	24	25	26	24	25	26	27	28	29	30	22	23	24	25	26	27	28	26	27	28	29	30								
27	28	29	30	31												29	30	31															

Estimated Schedule

The finance schedule below highlights the key financing activities and dates for a bank direct placement. As placement agent, GKB is prepared to work on an accelerated schedule unlike other responding firm since we have all necessary due diligence, documents, RFP package/term sheet, numbers, and working relationships with bond counsel/Museum officials already in place. We believe the bond issue could potentially be closed by the end of May.

Fundraising

As noted above, the CSURA and the Museum should not issue bonds until it has sufficient commitments from the capital campaign to ensure construction completion. Also, we expect a bridge loan facility will be in place.

George K. Baum Bank Direct Placement Process

George K. Baum & Company wants to make sure that the Museum gets the best possible proposals for its financing.

Target Date	Action	Lead
Monday, March 28, 2016	Selection of GKB as Placement Agent	GKB
Tuesday, March 29, 2016	Distribute Draft Term Sheet to Working Group	GKB
Monday, April 04, 2016	Comments Due to Term Sheet for Direct Placement	All
Tuesday, April 05, 2016	2nd Draft of Term Sheet Distributed	GKB
Thursday, April 07, 2016	Comments Due to 2nd Draft of Term Sheet	All
Monday, April 11, 2016	Distribute Term Sheet to Prospective Banks	GKB / FA
Monday, April 25, 2016	Receive Term Sheet Responses From Banks	GKB / USOM/FA/URA
Thursday, April 28, 2016	Summary of Term Sheets Distributed to Group	GKB
Friday, April 29, 2016	Conference Call to Discuss Bank Term Sheets, Select Bank	All
Wednesday, May 04, 2016	Urban Renewal Board Approval	URA Board
Friday, May 06, 2016	1st Draft of Documents	Bond or Bank Counsel
Tuesday, May 10, 2016	Conference Call to Discuss Documents	All
Wednesday, May 11, 2016	USOM Board Approval	All
Monday, May 16, 2016	Distributed 2nd Draft of Documents	Bond Counsel
Wednesday, May 18, 2016	Comments Due on 2nd Draft of Documents	All
Wednesday, May 18, 2016	Documents Submitted to Urban Renewal Board	Bond Counsel
Thursday, May 19, 2016	Publish TEFRA Hearing Notice	Bond Counsel
Monday, May 23, 2016	Lock Rate with Bank	GKB / USOM
Wednesday, May 25, 2016	Distribute Final Documents	Bond Counsel
Friday, May 27, 2016	Return Signed Documents	All
Monday, May 30, 2016	Closing - 9:30am MST	All

To that end, we have already prepared a cover letter, term sheet, executive summary, TIF revenue estimates to include in the RFP package along with supporting documentation provided by the CSURA, Museum and bond counsel including budget/cash flow projections, regional tourism zone map, design concepts, executed Colorado EDC resolution.

Because this is a first of its kind financing, we have had many iterations of this term sheet that the CSURA and Museum have reviewed. Since July 2015, GKB has prepared 54 drafts of the cover letter, term sheet and executive summary.

We have also prepared and vetted with the CSURA and Museum a suggested list of banks who will receive the solicitation and will gladly add any additional banks to the list as requested.

We will give banks two weeks (at a minimum) to review materials, ask questions and prepare their proposals. Once the proposals are received, we prepare a summary of those submitted to lay out an easy comparison. In many cases, the winning bank is obvious. In some cases, however, determining the best proposal takes quite a bit of thought as we compare the interest rate, redemption feature, bank expenses, and other requirements. **Regardless, we expect that GKB, in conjunction with the CSURA, Museum and the Museum's financial advisor will negotiate with one or several banks to get better terms than submitted. This is generally always the case, as banks rarely if ever submit their "A" proposal the first time around.**

After presenting the proposals and determining the best option, George K. Baum & Company manages the loan to closing. This effort requires coordination among the CSURA, Museum and its counsel, bond counsel and bank counsel. In very limited circumstances, we may suggest an alternative bank counsel if the attorney suggested by the bank seems ill fitted for a particular financing.

Finally, we prepare the closing memo and coordinate the closing process. Unlike a bond issue, we are not usually closing a bank placement through DTC so the closing itself is less formal.

Issues to Consider When Soliciting Bank Proposals

Bank direct purchases can offer borrowers a low cost alternative to the public bond market. It is always important, however, to keep an eye on the bond market to compare the direct placement financing costs to a publically offered issue (see dual track financing process below).

There are certain items to pay attention to when considering a bank placement and likewise when reviewing bank proposals. The first and most important is **interest rate**. Most bank proposals will include an indicative rate only based on an interest plus a credit spread. The interest rate is not locked in until the final documents are prepared or until the borrower approves the loan through a resolution or ordinance. Closely review any qualifications related to the interest rate including how the rate is calculated, whether it is fixed or not for the term of the loan and when a rate commitment might expire. **In this case the interest rate is also important because it directly impacts debt capacity – the lower the interest rate the more bonds that can be issued.**

The second most important feature of a bank placement is the **redemption provision**. Some banks will require a “make whole” call which essentially requires the borrower to pay all interest due until final maturity or another predetermined future date. The proposal may state “callable at any time” but further review shows that that call comes with a steep premium. Often bank will propose different interest rates depending upon the call provision. This gives the borrower clear options to balance interest rate versus the flexibility to pay off the loan early. With the respect to the Museum, a short call provides flexibility to refinance the bonds after the credit quality improves following the completion of construction and additional incremental growth in the RTA Zone State Sales Tax Base.

The third item to consider is **bank fees**. It is uncommon today to pay points on a bank direct purchase but that is something to look for. Banks will require the borrower to pay the costs of its bank counsel which can vary from \$10,000 to \$50,000 depending on the bank, choice of legal counsel, and the size and complexity of the transaction. One of the benefits of a bank placement is that the borrower can avoid the cost to prepare an official statement and obtain a rating. This is all good unless the bank counsel fees more than offset those savings.

For this financing, another important discussion point will be the underlying assumptions in the cash flow scenarios, including sales tax growth projections and debt service coverage. Like the interest rate, these are important as they directly impact the amount of bond proceeds the CSURA/Museum can issue.

Many bank proposals will include **additional requirements**. This can be anything from when the audit needs to be prepared to limitations on additional bonds or loans. Others might require the borrower to obtain title insurance for a lease-purchase transaction or to fund a debt service reserve. These need to be considered carefully. In many cases they are standard provisions that can be negotiated away.

Dual Track Financing Process

In order to ensure the lowest cost for the issuance, GKB recommends the Museum compare the results of the bank bids to the public bond market to compare pricing. The dual track process involves distributing a term sheet to commercial banks, receiving the bids back, then comparing those bids to interest rates the Museum could obtain through a public offering. After comparing the two types of offerings, we would recommend the Museum proceed with the lowest cost option.

As the CSURA/Museum knows GKB has created an RFP Package ready to be distributed to banks. We included copies of our cover letter and term sheet in **Appendix E**.

As part of the public offering, GKB recommends the Museum approach Standard & Poor’s for a credit assessment or confidential rating which we explain in more detail below.

- **S&P Credit Assessment:** After distributing a term sheet to banks, GKB would simultaneously approach S&P for a confidential credit assessment. The credit assessment will determine whether the Museum project is an investment grade credit. If the Museum is an investment grade credit, a public bond issue may provide stronger pricing. However, even if the credit is sub-investment grade (below BBB-), a high “BB” rating from S&P could enhance pricing indications from responding direct placement

banks. The cost for a credit assessment is 70% of the full rating fee which would be approximately \$22,000 (70% = \$15,400) to \$28,000 (70% = \$19,600).

- Case Study: City of Colorado Springs: The City of Colorado Springs sold refinancing bonds for its parking system in September 2015. We worked with the City and its financial advisor to secure five bank proposals. Simultaneously, the City also had a credit rating assessment for its parking revenue bonds. In addition to securing a strong interest rate, we also negotiated a shortened 5-year call to provide additional flexibility for the City to potentially refinance the bonds in the future.

Colorado Direct Placement Leader

GKB has completed over 51 private placement financings in Colorado the past four years totaling over \$381 million in par (**See Appendix A for complete list**). This experience has provided us with extensive expertise and insight into the market and allows us to target the most appropriate banks for an RFP, and the ability to negotiate out restrictive covenants that many banks would typically want in a direct placement. For private placements, GKB prepares a qualitative and quantitative summary of the financings options provided by the responding banks.

7. GKB's Credentials

Summarize your firm's credentials in underwriting, placing and/or purchasing Colorado financings, TIF financings, and financings for unique projects such as the USOM.

Significant Experience Serving the USOM

Unlike other responding firms, the GKB team has significant experience serving the Museum. Due to this experience, we know the project objectives, goals, financing considerations/constraints, personnel, and political importance of this project. GKB is best positioned to obtain the Museum the lowest cost financing while also meeting all of the goals. We highlight below what sets GKB apart from other firms:

- Understanding of existing Sales Tax Increment Revenue and anticipated future growth
- Financing models in place incorporating debt capacity, revenue estimates, sensitivity analysis, coverage, and appropriate sizing
- Legal framework and history
- Working relationships with staff, lawyers, and board

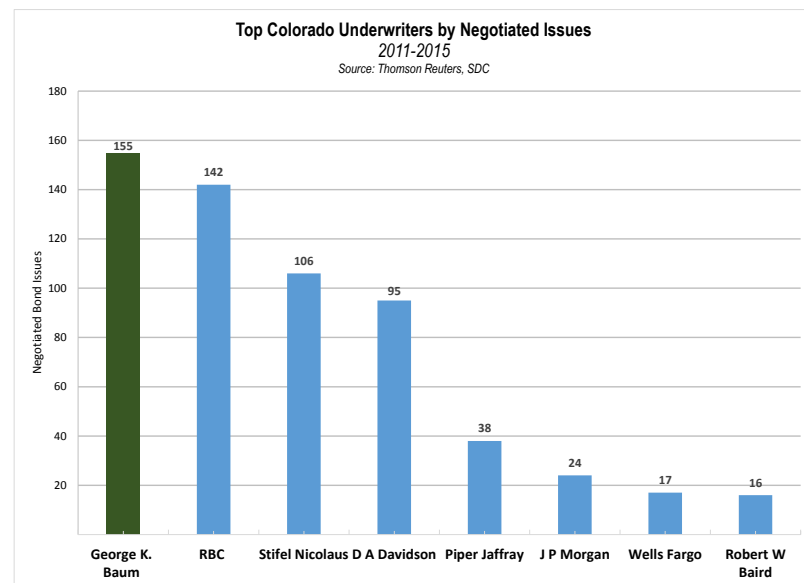
Largest Public Finance Presence in Colorado

CSURA will receive services not just from the assigned personal but the entire GKB team including underwriters, traders and the salesforce. We are not just watching other firms participate in the Colorado and national public finance markets. We are active every day. Over the past five years, George K. Baum & Company has acted as underwriter, placement agent, or financial advisor for 267 deals in Colorado alone.

Colorado's #1 Underwriter & Local Colorado Expert

GKB consistently ranks as Colorado's leading tax-exempt underwriter based on the number of negotiated municipal bond issues underwritten as sole or senior manager. We are also extremely active in the secondary market in supporting Colorado credits. Our unmatched activity in the primary and secondary markets will benefit the Museum in developing the optimum financing structure.

- Colorado Experience: GKB consistently ranks as Colorado's leading underwriter based on the number of negotiated issues underwritten as sole or senior manager from 2011 to 2015. Since 2011, GKB has senior managed 151 negotiated issues originating in Colorado.
- The Public Finance Division of George K. Baum & Company has been based in Denver since 1990. The firm has the largest and most active public finance and municipal bond sales and trading operations in Colorado, with more than 90 employees located in Denver.
- In addition to the headquarters for our Public Finance operations, Denver also serves as home to our largest fixed rate underwriting desk as well as the firm's short-term desk.



GKB Colorado Springs & El Paso County Financings

GKB has significant experience serving many issuers in the Colorado Springs and El Paso County area. Below we highlight a few of our recent financings of neighboring issuers including the City of Colorado Springs, Colorado Springs Utilities, and El Paso County.



Colorado Springs Utilities
 GKB serves as financial advisor to
 \$2.4 billion debt portfolio

CASCADE METROPOLITAN DISTRICT NO. 1

\$5,000,000
Cascade Metropolitan District #1
 Series 2015, Water Ent Rev Ref & Imp Bonds



\$9,520,000
City of Colorado Springs Parking
 Series 2015, Bank DP



\$10,000,000
Security Water District
 Series 2012, GO Bonds



El Paso County
 GKB serves as financial advisor to
 \$150.5 million debt portfolio



\$5,000,000
Fountain Valley Authority
 Series 2013, Water Treatment Ref Rev Bonds



\$28,000,000
Woodmoor Water & San
 Series 2011, Ent Water & Sewer Rev Bonds

TIF (Tax-Increment Financing) Bonds

TIF bonds have been used by jurisdictions to promote economic development within a given geographic area. Debt service on TIF bonds is derived from the increase in tax revenues generated as a result of economic growth in the TIF district. TIF bonds can be highly risky during periods of economic downturn if economic growth needed to repay the obligation is not forthcoming or projects financed with the TIF bonds cease to produce tax revenue.

George K. Baum & Company has successfully obtained ratings, letters of credit and bond insurance for redevelopment financings. Our trading desks and sales department are familiar with tax-increment financing and the unique concerns encountered in marketing such bonds. This expertise is a critical asset when evaluating market reception to determine the optimum financing structure.

We have assisted many clients in the negotiation of development agreements with both public and private developers. Our expertise in this important area of economic development makes our investment banking and financial advisory services especially useful and relevant.

Although there are very few "pure" TIF financings in Colorado as these can only be issued by redevelopment authorities or renewal authorities, GKB frequently assists developer or "metro" district clients with tax increment financings where development is built out following the creation of a district similar to the Museum's RTA Zone State Sales Tax Base. Since 2011, GKB has assisted its metropolitan district clients on 28 public bond issue totaling approximately \$203.8 million in par. In addition, to date we have helped over 100 issuers with the procurement and bank direct placement process, totaling almost \$2 billion of par. On the following page is a select list of GKB metropolitan district financings in the State of Colorado where GKB served as sole manager.



\$8,500,000
Crystal Crossing Metro District
Series 2015, GO Limited Tax Refunding Bonds
Sole Manager



\$33,840,000
Lambertson Farms Metro District No.1
Series 2015, Revenue Ref & Imp Bonds
Sole Manager



\$2,845,000
Mountain Shadows Metro District
Series 2015, Limited Tax GO Bonds
Sole Manager



\$23,000,000
Todd Creek Village Metro District
Series 2015, Water Activity Ent Ref & Imp Bonds
Sole Manager



\$13,825,000
Stonegate Village Metro District
Series 2015, Water Enterprise Revenue Bonds
Sole Manager



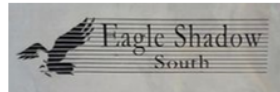
\$5,000,000
Cascade Metro District No.1
Series 2015, Wtr Ent Rev Ref & Imp Bonds
Sole Manager



\$21,895,000
Castel Pines North Metro District
Series 2015, Refunding COPs
Sole Manager



\$7,900,000
Ken-Caryl Ranch Metro District
Series 2014, GO Bonds
Sole Manager



\$9,845,000
Eagle Shadow Metro District No.1
Series 2013, GO Refunding Bonds
Sole Manager



\$975,000
Heritage Greens Metro District
Series 2013, GO Refunding Bonds
Sole Manager

8. Fees

For firms wishing to serve as underwriter or placement agent, please provide a not-to-exceed fee expressed as a \$1/\$1,000 of the principal amount financed. For underwriting fee proposals, include the detail for each component of spread – management fee, takedown by maturity, and expenses. For placement agent services, please provide a not-to-exceed fee expressed in a \$1/\$1,000 of principal amount financed format.

Underwriting Fee

GKB proposes an underwriting fee of \$2.30 /\$1,000 (\$2.30 per bond) assuming an investment grade rating with no additional expenses except transactional expenses such as DTC, CUSIPs, and Day Loan fees.

Proposed Fee – Underwriter	
Management Fee	\$0.00/ \$1,000
Takedown	\$2.30/ \$1,000
Expenses	\$0.00/ \$1,000
Total Underwriters Discount	\$2.30/ \$1,000

Placement Agent Fee

GKB proposes a placement agent fee of \$3.80 /\$1,000 (\$3.80 per bond) with no additional expenses. GKB recognizes our fee is contingent upon closing.

Proposed Fee – Placement Agent	
Placement Agent Fee	\$3.80/ \$1,000

Invoice for Services Rendered and Discounted Fee

When the U.S. Olympic Museum terminated GKB's investment banking contract on March 11, 2016, GKB submitted an invoice for services rendered to date. The invoice amount was for \$193,800, calculated based on the following.

- Expected total fee had the bond issue closed equates to \$323,000 (calculated based on a par amount of \$34,000,000 and an investment banking fee of \$9.50 per bonds).
- Par amount of \$34,000,000 is based on our conservative bond sizing analysis.
- GKB has performed 60% of the total expected work (detailed in a separate communication to the Museum).
- Our proposed fee above reflects the remaining 40% of the \$9.50 (fee for previous engagement) for a discounted fee of \$3.80 per bond. Similarly, our underwriting fee of \$2.30 is 40% of our previous underwriter's discount of \$5.75 per bond.

Please note our discounted underwriting and placement agent fees are based upon our invoice for payment submitted on March 23 for previous services rendered. Our proposed fees above reflect this invoice submitted and assume our client agrees with this invoiced amount. If the CSURA/Museum wishes to discuss this allocation of fees between our invoiced amount and the investment banking fee under this engagement we are open to such a conversation.

9. Interest Rates

For firms interested in purchasing the financing directly please provide indicative interest rates for 5, 7, 10, 15 and 20 year financing as of March 17, 2016 (or pricing for as many tenors as your institution can provide). Please also detail all fees you would propose to charge in connection with the financing including an origination fee (if any) and bank legal fees.

If your institution is willing to offer a drawdown feature to the loan, please indicate how this would change the interest rates quoted above. Also, please indicate the general drawdown loan parameters: maximum draw period, minimum periodic draws, etc.

GKB is pursuing a role as underwriter or placement agent on the financing and cannot directly provide indicative interest rates.

10. Additional Information

Please provide any additional information that distinguishes your firm and makes you particularly well suited for this engagement.

GKB stands out in many ways and we highlight below several of these key distinguishing features:

1. Because the USOM and CSURA engaged GKB at the inception of this project, we know better than anyone the project objectives, current circumstances and path to success. GKB is best prepared to expeditiously move the financing to its next phase. We believe we can offer bonds in an RFP process to banks within a week after our engagement.
 - **This is the first ever bond that will be issued under the RTA legislation.** While it looks like a straight forward TIF bond that comes from a very strong TIF district (essentially the entire City of Colorado Springs) we have learned along the way the uniqueness of this financing, driven in large part by the RTA funding structure, and areas where this differs from a more traditional TIF bond.
 - The cash flow/debt capacity analysis need to take into account various unique RTA features. We have spent considerable time vetting many of these issues with the Museum, CSURA and bond counsel. Our financing structures incorporate many of these features.
 - Extraordinary call language and other triggers that make this bond issue more of “very unique story bond” necessary to remain consistent with the RTA authorizing documents will continue to drive the financing path.
 - **We have worked on these issues with the USOM/CSURA and bond counsel for almost two years. They are intricate, complex, and unique and in large part will drive the discussions we will have with bond investors to get them comfortable with the financing. No other firm else can jump in and understand these nuances better than GKB.**
 - We are very sensitive about the timing of sending out the term sheet, driven in large part on the level of committed pledges.
 - The Museum and CSURA right early in its fund raising process (in 2014, when GKB started working on this project) received about \$26 million in pledge commitments from three major donors.
 - Since that time other pledges have been received and we anticipate the remaining portion necessary to guarantee the Museum and CSURA will have sufficient funds to complete the project come to fruition soon.
 - We are at the juncture where we need to balance the receipt of remaining fundraising commitments with project funding and construction deadlines.
 - **No one better understands this balance than GKB and can best navigate these issues to ensure a successful financing when the time is right (based on fundraising milestones).**
2. GKB has spent almost two years developing and comparing financing options for the Museum/CSURA to consider for a bond issue or placement of debt with a bank.
 - GKB has been clear all along that we simultaneously will analyze both a public offering and a bank direct placement.
 - Dual Track Financing Approach: We would simultaneously solicit bids from direct placement banks while evaluating a public bond issue and a credit assessment from S&P to see if the financing could obtain an investment grade rating. Please see additional discussion of dual track process in Question 6.
 - We have spent considerable time with our underwriting desk discussing the merits of these issues. We discuss these in more detail in Question 3.

- The goal is to maximize bond proceeds and achieve the lowest possible borrowing costs while remaining extremely conservative in our financing assumptions.
 - Analysis included TIF growth rate assumptions, debt capacity analysis, fundraising levels required complete the project, debt service coverage estimates, impact of specific project revenues, amortization sensitivity, and revenue sensitivity.
 - Receiving the “base” and “annual increment” continues to be an unpredictable and sometimes challenging process. We have all spent considerable time understanding these calculations and to date we all still challenge the accuracy of the annual increment data.
 - **GKB provided the Museum with approximately 108 iterations of the following: 70 plan of finance scenarios, 14 revenue estimates, 10 summaries of financing options, and 14 sensitivity analysis scenarios. What this means is that we are intimately familiar with every nuance of the financing components of the project.**
3. We are the only firm that is ready to formally reach out to investors immediately.
- It has taken us almost two years to work through many of the financial and legal aspects of this project and financing.
 - GKB developed a comprehensive package to distribute to potential investors of the Museum’s debt, with a goal of obtaining the lowest borrowing cost with most advantageous terms from responding banks.
 - To date, GKB has prepared 54 drafts of the cover letter, term sheet, and executive summary since July 2015 (as well as a distribution list we refined with the Museum/CSURA). Bond counsel also had significant input in these documents and we had to draft language to make sure we remain consistent with RTA requirements.
 - We have also communicated to the Museum/CSURA the dual-track financing path we are going down, where we analyze the direct placement market at the same time as the public bond market.
4. GKB cares deeply about this project and is excited to get back to work. The US Olympic Museum will become one of the most iconic and exciting visitor experiences in our country. We have felt so fortunate to work on the financing of such an amazing project. We look forward to getting back to work and making sure we exceed everyone’s expectations when it comes to understanding and executing a sound financial plan.

11. Conflicts of Interest

Please describe any conflicts of interest, current or past regulatory investigations, pending litigation, or judgments or settlements against the firm in the last three years.

There are no potential conflicts of interest other than those identified in our MSRB G-17 Disclosure, a copy of which is attached as **Appendix D**.

Appendix A: Colorado Direct Placement Experience

GKB Colorado Bank Direct Placement Experience				
<i>Date</i>	<i>Issuer</i>	<i>New Money / Refunding</i>	<i>Par Amount</i>	<i>Bank</i>
2/3/2010	Aspen Academy	New Money	\$7,850,000	BBVA Compass
11/2/2010	Takoda Metropolitan District	New Money	\$7,208,466	Developer
1/19/2011	Olde Town	New Money	\$910,000	Bear Creek
1/19/2011	Robinson Ranch	New Money	\$700,000	Bear Creek
5/23/2011	City of Littleton	Refunding	\$2,390,000	JPMorgan Chase
10/31/2011	CitySet Metropolitan District	New Money	\$10,000,000	Colorado State B&T
5/3/2012	City of La Junta/Inspiration Field	New Money	\$2,900,000	Great Western Bank
7/27/2012	Montessori School of Denver	New Money/Refunding	\$6,500,000	Wells Fargo
8/15/2012	Aspen Country Day School	New Money	\$10,000,000	First Republic
8/15/2012	Aspen Music Festival & School	New Money	\$15,000,000	First Republic
10/10/2012	Aspen Art Museum	New Money	\$21,000,000	ANB Bank
12/27/2012	Winter Farm Metro District	New Money/Refunding	\$6,000,000	BBVA Compass
1/30/2013	Denver Public Schools 1860 Lincoln	New Money	\$35,195,000	BBVA Compass
4/1/2013	Commerce City GID	New Money	\$2,500,000	Commerce City
5/30/2013	Denver Academy	Refunding	\$5,050,000	Wells Fargo
7/9/2013	Mead Western	New Money	\$3,225,000	Advantage Bank
8/15/2013	Trinidad School District	Refunding	\$1,250,000	Alpine
10/28/2013	South Timnath Metro District	New Money/Refunding	\$6,600,000	Vectra
10/28/2013	Windshire Park Metro District	New Money	\$3,000,000	Vectra
12/11/2013	BMP Metro District	New Money	\$3,795,000	Colorado State B&T
12/20/2013	Town of Ignacio	Refunding	\$400,000	Alpine
12/20/2013	Monument Sanitation District	New Money	\$400,000	CoBiz
12/20/2013	Takoda Metropolitan District	New Money	\$737,000	Developer
1/30/2014	Water Valley Metropolitan District #2	New Money/Refunding	\$8,240,000	First Western Trust
1/31/2014	Water Valley Metropolitan District #1	New Money	\$7,210,000	First Western Trust
3/19/2014	Country Homes Metro District	New Money	\$250,000	Alpine
6/30/2014	Town of Elizabeth	Refunding	\$1,995,000	CoBiz
9/24/2014	Iron Mountain Metro District	New Money	\$2,250,000	Points West
10/3/2014	Lincoln Park Metro District	Refunding	\$31,485,000	Compass
10/23/2014	Louisville Revitalization Commission	New Money	\$4,500,000	Developer
10/30/2014	Briargate General Improvement District	Refunding	\$8,955,000	Chase
11/12/2014	South Timnath Ranch Metro District #2	Refunding	\$1,150,000	Vectra Bank
11/25/2014	Stonegate Village Metro District	Refunding	\$9,300,000	CSBT
12/12/2014	Little Thompson Water District	Refunding	\$4,905,000	UMB
12/16/2014	Prowers County Hospital District	New Money / Refunding	\$14,480,000	Great Western Bank
1/15/2015	Arriba-Flagler School District #20	New Money	\$340,000	High Plains Bank
1/23/2014	Montessori Academy of Denver	New Money	\$1,600,000	Wells Fargo
2/20/2014	Montessori Academy of Colorado	New Money / Refunding	\$5,600,000	CoBiz
4/21/2015	Stonegate Village Metro District	Refunding	\$17,120,000	U.S. Bank
5/19/2015	Rocky Mountain Center for the Blind	Refunding	\$1,814,586	FirstBank
6/1/2015	McClave School District	New Money	\$680,000	McClave State Bank
6/24/2015	Aspen Country Day School	New Money	\$15,000,000	ANB Bank
7/15/2015	Wild Wing Metro District	New Money	\$3,723,315	Points West
7/31/2015	Town of Elizabeth	Refunding	\$3,160,000	CSBT
9/17/2015	City of Colorado Springs	Refunding	\$9,520,000	BAML
9/17/2015	Winter Farm Metro District	Refunding	\$6,100,000	Compass
10/28/2015	North Metro Fire Rescue District	Refunding	\$20,000,000	JPMorgan Chase
11/17/2015	Todd Creek Village Metro District	Refunding	\$23,000,000	Preston Hollow
11/20/2015	North Metro Fire Rescue District	Refunding	\$6,790,000	JPMorgan Chase
12/30/2015	City of Loveland SID #1	Refunding	\$4,750,000	FirstBank
1/11/2016	City of Black Hawk	Refunding	\$6,680,000	U.S. Bank
2/17/2016	South Sloans Lake Metro District	New Money	\$15,500,000	Compass
3/24/2016	Crystal Lakes Fire Protection District	New Money	\$800,000	CSBT
		TOTAL	\$382,512,947	
		TOTAL #	52	

Appendix B: GKB Team Bios

Banking Team



ROBYN MOORE | SENIOR VICE PRESIDENT

- Day-to-Day Contact
- Phone: 303.391.5495
- Email: moore@gkbaum.com

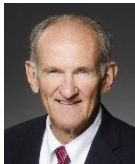
Robyn Moore, Senior Vice President, has more than 20 years of municipal finance experience, including 12 years with George K. Baum & Company.

Ms. Moore has represented many of Colorado and the nation's largest and most innovative municipal, transportation, utility and not-for-profit issuers as both financial advisor and underwriter.

Some of Ms. Moore's clients include: Colorado Springs Utilities; Denver Water; City of Westminster; Regional Transportation District; the state of Colorado; Denver International Airport; El Paso County, city and county of Denver, E-470 Public Highway Authority, city of Aurora, city of Colorado Springs, Jefferson County, city of Golden, city of Littleton, various water districts, and many Colorado 501(c)(3) organizations.

Prior to joining George K. Baum & Company in 2004, Ms. Moore worked at Bank of America structuring tax-exempt and taxable leases for public sector entities throughout the Midwest. Additionally, Ms. Moore worked in the city manager's office at the city of Des Moines and the city of West Des Moines, IA.

Ms. Moore holds a Master of Public Administration from the Maxwell School of Syracuse University and a Bachelor of Arts from the State University of New York at Binghamton. Ms. Moore is a 2007 graduate of the Denver Metro Chamber Leadership Denver Program..



LEE WHITE | EXECUTIVE VICE PRESIDENT

- Banking Support
- Phone: 303.391.5498
- Email: whitel@gkbaum.com

Lee White is an Executive Vice President for George K. Baum & Company. He has been responsible for the following practice areas at the Firm:

- Higher Education & Nonprofit Finance Group
- Renewable Energy Project Finance Group

Mr. White has been in the investment banking business for 35 years and has been involved with underwriting more than \$12 billion of municipal and project finance bonds. He came to investment banking with extensive cabinet level experience in state government for Colorado Governor, Richard Lamm. He was Executive Director of the Colorado Department of Administration from 1979-80 and Executive Director of the Colorado Office of State Planning and Budget from 1981-82.

Mr. White participates in numerous professional and civic organizations. He has served as a trustee of the Colorado Historical Society and the Greater Denver Corporation. He is also a member of the Colorado Forum, the Cactus Club and the Mile High Club. He was a local elected official as an at-large member on the Denver Board of Education in 1996 and served for two terms.

Mr. White received a Master of Business Administration from Harvard Business School, a Master of City Planning from the Massachusetts Institute of Technology and a Bachelor of Science in Mechanical Engineering from Rensselaer Polytechnic Institute.

Transaction Support**SCOTT SHAD | ASSISTANT VICE PRESIDENT**

- Quantitative Analyst
- Phone: 303.391.5520
- Email: shad@gkbaum.com

Scott Shad is an Assistant Vice President with George K. Baum & Company serving the Municipal Finance Division. Mr. Shad is involved in the transaction execution and quantitative structuring of both tax-exempt and taxable debt financings for municipal utilities, special districts, school districts, municipalities and other nonprofit entities. Mr. Shad has been involved with more than 70 financings totaling approximately \$3.4 billion involving general obligation, revenue, lease purchase and private placement issuances.

Mr. Shad is a graduate of Washington & Lee University where he earned his BS in Business Administration with a Minor in Philosophy. Prior to joining George K. Baum & Company, Mr. Shad was a summer Intern at UBS Wealth Management. He is also a graduate of the Downtown Denver Leadership Program.

**BRANDON SHERWOOD | ASSOCIATE**

- Transaction Support
- Phone: 303.391.5485
- Email: sherwood@gkbaum.com

Brandon Sherwood is an Associate with George K. Baum & Company serving the Colorado Public Finance Group. He joined GKB in September of 2015 and is based in Denver, CO. Mr. Sherwood is involved in the transaction execution and quantitative structuring of both tax-exempt and taxable debt financings for municipalities, special districts and school districts. He supports all phases of the financing process, including debt structuring, legal document review, credit assessments, bond pricings and closing of transactions for existing and prospective clients. Mr. Sherwood holds a BS in Finance-Investment Analysis from Colorado State University. Prior to joining George K. Baum & Company, Mr. Sherwood served as an Officer in the United States Air Force.

Syndicate & Underwriting Desk**MARC DISPENSE | EXECUTIVE VICE PRESIDENT**

- Underwriter
- Phone: 303.391.5438
- Email: dispense@gkbaum.com

Marc Dispense is an Executive Vice President and Manager of George K. Baum & Company's Underwriting & Syndication Desk. Mr. Dispense manages the underwriting and sales teams, while working on new issue pricing and syndication. He is responsible for GKB's daily bond issuance and sales distribution. Mr. Dispense works with one of the most seasoned and professional sales teams in the industry, which maintains some of the longest standing relationships with investors. Mr. Dispense's underwriting career with George K. Baum & Company includes working with municipal issuers from a variety of industries and regions. Since he joined the Underwriting & Syndication Desk in 2005, GKB successfully senior-managed more than 2,700 new bond issues in excess of \$40 billion. Among the billions of dollars of bonds issued nationally by George K. Baum & Company, Mr. Dispense takes pride in maintaining focus on the smallest of details and working to find the best possible market execution to benefit GKB's clients. Mr. Dispense has a passion for discovering new marketing processes and bond structures that satisfy investor needs while lowering issuer borrowing rates. Prior to working on the Underwriting & Syndication Desk, Mr. Dispense worked on GKB's Secondary Trading Desk beginning in April of 2003. He was responsible for secondary housing trades, in addition to trading municipal bonds for the Northeast region. Mr. Dispense earned his Masters of Business Administration from the University of Denver and undergraduate degree from the University of Colorado with an emphasis in Finance and Marketing. He is a member of the National Federation of Municipal Analysts.

**LISA MAY | SENIOR VICE PRESIDENT**

- Underwriter
- Phone: 303.391.5434
- Email: mayl@gkbaum.com

Lisa May is a Senior Vice President and underwriter on George K. Baum & Company's Underwriting & Syndication Desk. As underwriter, Mrs. May is responsible for new issue pricing and distribution of fixed-rate sole-, senior- and co-managed negotiated transactions. Mrs. May specializes in California school district general obligation and special tax bonds, non-rated and below investment grade transactions, charter schools, and higher education bonds. Since joining the Underwriting & Syndication Desk in 2008, George K. Baum & Company has successfully senior-managed more than \$35 billion new issue bond series.

Prior to working on the Underwriting & Syndication Desk, Mrs. May worked as a Sales Assistant for George K. Baum & Company, beginning in September of 2004. As a Sales Assistant, Mrs. May worked with two senior salesmen who covered more than 50 accounts.

Prior to joining George K. Baum & Company, Mrs. May was a Supervisor within Private Client Services at Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Mrs. May is a member of the National Federation of Municipal Analysts. She received a BS in Finance from Regis University.

Specialty Financial Products Desk



ELIZABETH BARBER | EXECUTIVE VICE PRESIDENT

- Manager of Specialty Financial Products Desk
- Phone: 303.391.5599
- Email: barber@gkbaum.com

Elizabeth Barber is an Executive Vice President and Manager of the Specialty Financial Products Desk at George K. Baum & Company. She joined George K. Baum & Company in 2002 after working on the municipal derivatives desk at JPMorgan. She presently oversees the remarketing of more than \$5 billion in short-term debt and has coordinated the execution of more than 220 interest rate swaps with a total notional amount approaching \$6 billion. Ms. Barber's area of expertise includes interest rate derivatives, and she works closely with the public finance banking staff on all aspects of transactions involving interest rate derivatives. She also provides pricing and structure support for the reinvestment of bonds proceeds on many of the bond issues George K. Baum & Company underwrites. Ms. Barber graduated from Duke University with a BS in Economics.



JEREMIAH MILLER | SENIOR VICE PRESIDENT

- Specialty Financial Products Desk
- Phone: 303.391.5576
- Email: millerj@gkbaum.com

Jeremiah Miller is a Senior Vice President on George K. Baum & Company's Specialty Financial Products Desk. Mr. Miller is responsible for the placement and remarketing of the Firm's variable-rate debt underwritings and assists in the interest rate swap business for the Firm. Mr. Miller joined the desk after working in GKB's Higher Education & Nonprofit Finance Group as an Analyst for the previous two years. While in the Higher Education group, Mr. Miller was involved in the transaction execution and quantitative structuring of both tax-exempt and taxable debt financings for colleges and universities, independent schools, and other nonprofit entities. He structured numerous fixed-rate and variable-rate financings with a total par amount of more than \$250 million. Mr. Miller holds a BA from Harvard University.



ALEC LEHRER | SENIOR VICE PRESIDENT

- Specialty Financial Products Desk
- Phone: 303.391.5512
- Email: lehrer@gkbaum.com

Alec Lehrer is a Senior Vice President on the Specialty Financial Products Desk at George K. Baum & Company. Mr. Lehrer joined the Firm in 2007 after spending six years with Trinity Funding Company, a funding arm of GE Capital. While at GE, Mr. Lehrer helped manage a \$12 billion portfolio of municipal GICS. He also hedged the portfolio's interest rate risk using interest rate derivatives totaling \$3.5 billion notional annually. At George K. Baum & Company, Mr. Lehrer helps manage the reinvestment business and provides his insight and knowledge of interest rate derivatives. His areas of expertise include the modeling and pricing of interest rate swaps and general knowledge of the reinvestment business. Mr. Lehrer graduated from the University of Denver with a BS in Marketing.



Appendix C: Revenue Estimates

U.S. Olympic Museum Revenue Estimates: 2.00% Growth Rate and 52% State TIF Revenues to US Olympic Museum

Year	Growth Rate	Existing RTA Zone State Sales Tax		Base Increase	Total Increment	Percentage to C4C	Percentage to US Olympic Museum	TIF Revenues for Olympic Museum	Cumulative
		Base	Incremental Base						
2014	3.43%	169,503,178	175,318,408	5,815,230	5,815,230	13.08%	52%	395,529	395,529
2015	6.14%	169,503,178	186,077,681	16,574,503	16,574,503	13.08%	52%	1,127,331	1,522,860
2016	2.00%	169,503,178	189,799,235	20,296,057	20,296,057	13.08%	52%	1,380,457	2,903,317
2017	2.00%	169,503,178	193,595,219	24,092,042	24,092,042	13.08%	52%	1,638,644	4,541,961
2018	2.00%	169,503,178	197,467,124	27,963,946	27,963,946	13.08%	52%	1,901,996	6,443,957
2019	2.00%	169,503,178	201,416,466	31,913,289	31,913,289	13.08%	52%	2,170,614	8,614,571
2020	2.00%	169,503,178	205,444,796	35,941,618	35,941,618	13.08%	52%	2,444,605	11,059,176
2021	2.00%	169,503,178	209,553,691	40,050,514	40,050,514	13.08%	52%	2,724,076	13,783,252
2022	2.00%	169,503,178	213,744,765	44,241,588	44,241,588	13.08%	52%	3,009,136	16,792,388
2023	2.00%	169,503,178	218,019,661	48,516,483	48,516,483	13.08%	52%	3,299,897	20,092,285
2024	2.00%	169,503,178	222,380,054	52,876,876	52,876,876	13.08%	52%	3,596,474	23,688,758
2025	2.00%	169,503,178	226,827,655	57,324,477	57,324,477	13.08%	52%	3,898,982	27,587,740
2026	2.00%	169,503,178	231,364,208	61,861,030	61,861,030	13.08%	52%	4,207,540	31,795,280
2027	2.00%	169,503,178	235,991,492	66,488,315	66,488,315	13.08%	52%	4,522,269	36,317,549
2028	2.00%	169,503,178	240,711,322	71,208,144	71,208,144	13.08%	52%	4,843,293	41,160,842
2029	2.00%	169,503,178	245,525,548	76,022,371	76,022,371	13.08%	52%	5,170,738	46,331,580
2030	2.00%	169,503,178	250,436,059	80,932,882	80,932,882	13.08%	52%	5,504,731	51,836,311
2031	2.00%	169,503,178	255,444,781	85,941,603	85,941,603	13.08%	52%	5,845,404	57,681,715
2032	2.00%	169,503,178	260,553,676	91,050,499	91,050,499	13.08%	52%	4,978,285	62,660,000
2033	2.00%	169,503,178	265,764,750	96,261,572	96,261,572	13.08%	52%		
2034	2.00%	169,503,178	271,080,045	101,576,867	101,576,867	13.08%	52%		
2035	2.00%	169,503,178	276,501,646	106,998,468	106,998,468	13.08%	52%		
2036	2.00%	169,503,178	282,031,679	112,528,501	112,528,501	13.08%	52%		
2037	2.00%	169,503,178	287,672,312	118,169,134	118,169,134	13.08%	52%		
2038	2.00%	169,503,178	293,425,758	123,922,581	123,922,581	13.08%	52%		
2039	2.00%	169,503,178	299,294,274	129,791,096	129,791,096	13.08%	52%		
2040	2.00%	169,503,178	305,280,159	135,776,981	135,776,981	13.08%	52%		
2041	2.00%	169,503,178	311,385,762	141,882,585	141,882,585	13.08%	52%		
2042	2.00%	169,503,178	317,613,477	148,110,300	148,110,300	13.08%	52%		
2043	2.00%	169,503,178	323,965,747	154,462,569	154,462,569	13.08%	52%		
2044	2.00%	169,503,178	330,445,062	160,941,884	160,941,884	13.08%	52%		
Total		5,254,598,507	7,724,132,512	2,469,534,005	2,469,534,005			62,660,000	465,209,070

Notes

- 1) Base sales tax of \$169.5 million provided by State.
- 2) \$62,660,000 is maximum State TIF Revenue collection for U.S. Olympic Museum.
- 3) The 52% in State TIF Revenues for the U.S. Olympic Museum project includes 42% for the Museum and an additional 10% for infrastructure projects.
- 4) Assumes average growth rate of 2.00%



Appendix D: MSRB G-17 Disclosure

**Underwriter Engagement Agreement
Supplemental Disclosures
For
New Issues of Municipal Securities**

The Municipal Securities Rulemaking Board (“MSRB”) issued an interpretive notice (“Notice”) relating to Rule G-17, effective August 2, 2012. The Notice requires that Underwriters must provide certain additional disclosures to Issuers of municipal securities as part of the dealer’s fair dealing obligations under Rule G-17 when acting as an Underwriter for a negotiated underwriting of an Issuer’s new issue of municipal securities.

George K. Baum & Company’s Role as Underwriter

- (1) MSRB Rule G-17 requires the Underwriter to deal fairly at all times with both municipal issuers and investors.
- (2) One of the Underwriter’s primary roles will be to purchase bond issues with a view to distribution in an arm’s-length commercial transaction with the Issuer, and the Underwriter has and will have financial and other interests that differ from the Issuer’s interests.
- (3) Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the Issuer under the federal securities laws. The Underwriter, therefore, is not required by federal law to act in the Issuer’s best interests without regard to the Underwriter’s own financial or other interests.
- (4) The Underwriter has a duty to purchase securities from the Issuer at a fair and reasonable price, but must balance that duty with its duty to sell bond issues to investors at prices that are fair and reasonable.
- (5) For the Issuer’s bond issues that the Underwriter underwrites, the Underwriter will review the Issuer’s official statement, in accordance with, and as part of, the Underwriter’s responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

The Underwriter also must not recommend that the Issuer not retain a municipal advisor.

The Underwriter’s Compensation

The Underwriter’s compensation for serving as the underwriter for the Issuer’s bond issuances will be contingent on the closing of the transaction and at least a portion of that compensation will be based on the size of the bond issue. The rules of the MSRB require the Underwriter to inform the Issuer that compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the Underwriter to recommend a transaction that it is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Bond Issuances Present Risks to the Issuer

As with any bond issue, the Issuer’s obligation to pay principal and interest will be a contractual obligation that will require the Issuer to make these payments no matter what budget constraints the Issuer encounters. Furthermore, to the extent that the Issuer agrees in a bond issue to rate covenants, additional bond tests or other financial covenants, these may constrain the Issuer’s ability to operate and to issue additional debt, and if the Issuer does not comply with these covenants, they can result in a default under a bond issue. Depending on the terms

of a bond issue, if the Issuer fails to make a payment of principal or interest or if the Issuer otherwise fails to comply with its covenants under the bond issue, the trustee may have the right to accelerate all of the payment of principal on the bond issue, which means that the Issuer may be required to pay all of the principal of the bond issue at that time.

George K. Baum & Company will provide additional disclosures to the Issuer from time to time, as may be required by the provisions of MSRB Rule G-17.

GEORGE K. BAUM & COMPANY

Printed Name of Authorized Person

Signature

Title

Date

RECEIPT ACKNOWLEDGED BY THE ISSUER

Printed Name of Authorized Person

Signature

Title

Date



Appendix E: Bank Direct Placement RFP Package: Cover Letter and Term Sheet

Solicitation of Bank Direct Placement Financing

March 24, 2016

On behalf of the U.S. Olympic Museum (“Museum”), George K. Baum & Company is soliciting proposals from select financial institutions to provide a tax-exempt direct purchase for approximately \$35 million to finance the construction of the U.S. Olympic Museum, which along with other funds, will provide financing to construct the Museum.

Description of Project

The U.S. Olympic Museum will be located where many Olympic and Paralympic dreams begin – at 6,035 feet above sea level, in the shadow of Pikes Peak and just a few blocks away from the United States Olympic Committee headquarters in Colorado Springs, Colorado. The Museum has secured a 1.7 land gift agreement with Nor'wood Development Group for a location in the City’s Southwest Downtown Urban Renewal District near America the Beautiful Park at the end of Vermijo Avenue.

The U.S. Olympic Museum will be a timeless institution that reflects Team USA pride, help visitors experience the thrill of the Games and create a stunning gateway to downtown Colorado Springs when it opens in 2018. The U.S. Olympic Museum will become a premier cultural destination, welcoming people from near and far, and of all ages and backgrounds, to come together in the spirit of the Olympic and Paralympic Games.

The 60,000-square-foot building will embody the forward-looking values of Team USA, with 20,000 square feet of highly interactive exhibit space, a state-of-the-art theater, gift shop, café, and broadcast studio. The world-renowned design and construction team, dedicated to creating a sustainable and accessible facility, including the following professionals:

- Design Architect: Diller Scofidio + Renfro; New York, NY
- Architect of Record: Anderson Mason Dale Architects; Denver, CO
- Museum and Content Development: Barrie Projects; Cleveland, OH
- Exhibit Designer: Gallagher & Associates; Washington, D.C.
- Exhibit Fabricator: Pacific Studio; Seattle, WA
- Construction Manager/General Contractor: GE Johnson; Colorado Springs, CO

Project Components

The Museum will include the following components:

- The United States Olympic Hall of Fame
- Theater that will introduce visitors to the Olympic Movement, as well as host guest speakers and special events
- 20,000-SF exhibition hall
- Interactive exhibits
- Champions Plaza, an outdoor public gathering place and amphitheater designed for multiple uses: special events, exhibit-related programming and civic gatherings
- Retail space with uniforms, souvenirs, books and commemorative merchandise, as well as a cafe

- Board room/broadcast studio for use by national and international press
- Flex space for private and special events, as well as traveling exhibits and programs
- U.S. Olympic Museum Exhibits

Visitors and Museum Affiliation

The Museum is estimated to draw 350,000 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) and the International Olympic Committee (IOC). This affiliation will enable the Museum to offer continually updated programming after each Olympic Event and closer access to exhibit material.

Featured Exhibits

The U.S. Olympic will feature numerous exhibits. As future generations of champions realize their dreams, the Museum will grow and evolve alongside them, providing an ever-fresh experience with each visit. The current exhibits that will be featured upon opening in 2018 include the following:

- Introduction to the U.S. Olympic and Paralympic Movements
 - Visitors will experience the drama and exhilaration as if they are actually at the games – entering the stadium, on the track, in the pool, at the starting line and on the podium.
- Journey to Excellence
 - The design will showcase the development of today's U.S. Olympic and Paralympic athletes, from their initial dreams to realizing their potential through hard work and determination.
- Athlete Training
 - Can you do it? Visitors will see what it takes to train for athletic competition, experiencing first-hand the rigorous, grueling years of preparation, strength of mind, and dedication that defines each U.S. Olympic and Paralympic athlete, inspiring the youngest children to dream and achieve.
- Science & Technology Lab
 - The Science & Technology Lab offers an inside look at the latest life-changing developments in sports medicine and sports performance, as well as specialized training and rehab for elite athletes, including wounded war veterans competing as U.S. Paralympians.
- Parade of Nations
 - This exhibit will invite visitors to participate in the thrilling experience of entering the Olympic and Paralympic stadium surrounded by countrymen and competitors at the world stage.
- At the Games
 - Two interactive walls present all the Olympic and Paralympic sports currently in competition, their evolution and best performances, and invite visitors to delve into their own specific interests.
- U.S. Olympic Hall of Fame
 - The U.S. Olympic Hall of Fame will highlight the best of the best – athletes, coaches, leaders and supporters who exemplify the values of the Olympic and Paralympic movements.

Proposed Project Timeline

- Financing RFP Issued – March 2016
- Selection of Bank – end of March/early April 2016
- Issue Bonds – late May/early June 2016
- Begin Construction – May 2016
- Construction Completed – Fall 2017
- Museum Opening – February 2018

Eligible Tax Increment

The City of Colorado Springs submitted an application on July 8, 2013 to the State of Colorado for Regional Tourism Act (RTA) for sales tax increment finance incentives. The State Economic Development Commission approved the City for Champions application on December 16, 2013.

The City for Champions proposal included four projects including:

- The United States Olympic Museum and Hall of Fame;
- The University of Colorado at Colorado Springs Sports Medicine and Performance Center;
- The Gateway Visitors Center at the United States Air Force Academy; and
- The Colorado Sports and Event Center.

It is estimated that the four projects within the RTZ will generate \$120.5 million in net new sales tax in the RTZ over 30 years. Of the total, 52% will be allocated to the U.S. Olympic Museum (42% designated to Museum and additional 10% allocated by the City for infrastructure improvements) resulting in a total cumulative amount of State Sales Tax Increment Revenue to the U.S. Olympic Museum project that shall not exceed \$62,660,000 over the course of the financing term.

These RTA State Sales Tax Increment Revenues are eligible if bonds are issued by 2018 and the project is completed by 2023. The Museum expects to easily meet these deadlines.

Allocation of Bond Proceeds

The City of Colorado Springs and the U.S. Olympic Museum entered into a Memorandum of Understanding (MOU) that further clarified the allocation of dedicated revenue to the U.S. Olympic Museum project and the public infrastructure improvements required under the Resolution to receive the entire percentage of state sales tax increment revenue. The MOU is attached in Section 7.

As outlined in the MOU, the bond proceeds from the issuance will be distributed accordingly:

- The first amount of net proceeds up to \$20,000,000, as a first in priority use of net proceeds, shall be dedicated to the USOM.
- The next amount of net proceeds up to \$6,700,000, as a second in priority use of net proceeds, shall be dedicated to Southwest Colorado Springs Downtown Infrastructure.
- Any additional amount of net proceeds in excess of \$26,700,000, as a third in priority use of net proceeds, shall be apportioned with 75% being dedicated to the USOM, and 25% being dedicated to Southwest Colorado Springs Downtown Infrastructure.

Key Financing Assumptions

The total cost to construct the Museum is \$73 Million, broken down as follows:

- Approximately \$30 Million of bond proceeds deposited to the project fund.
- Approximately \$43 Million from a capital campaign. To date the Museum's fundraising efforts have resulted in \$30 Million in pledged commitments.

The Museum will not issue bonds until it has sufficient commitments from the capital campaign to ensure construction completion. Please see Section 2 – Budget and Cash Flow Projections for additional detail.

Below is an overview of the key financing assumptions for the Bonds:

- Par Amount: Targeting approximately \$35 Million in par (Governmental Purpose Bonds)
- Issuer: Colorado Springs Urban Renewal Authority on behalf of the Museum.
- Purpose: Proceeds fund the Museum Project, capitalized interest (if necessary), debt service reserve fund, costs of issuance, and any other necessary capital needs associated with the financing.
- Amortization: Up to three years interest-only, followed by up to 20 years of amortization (Resolution allows for up to 30 year financing term).
- Payment Dates: Interest semi-annually June 1 and December 1 and principal annually December 1.
- Security: Revenues from the percentage of State Sales Tax Increment Revenue (52% with 42% designated to Museum and additional 10% allocated by the City for infrastructure improvements) to be received for the U.S. Olympic Museum project. Total cumulative amount of State Sales Tax Increment Revenue to U.S. Olympic Museum shall not exceed \$62,660,000 over the course of the financing term. Net revenues from Museum operations can also be applied to debt service. There will be a fully funded Debt Service Reserve Fund.
- RTA Zone State Sales Tax Base: \$169,503,178 (as calculated by the State of Colorado)
- RTA Increment: 13.08% of State Sales Tax Increment Revenue distributed for the City for Champions, of which 52% of revenue is for Museum Project.
2014 City for Champions Sales Tax Revenues: \$760,632.07 (actual)
 - 52% to U.S. Olympic Museum = \$395,529○ 2015 City for Champions Sales Tax Revenues: \$2,167,943.91 (actual)
 - 52% to U.S. Olympic Museum = \$1,127,331
- Sales tax growth rate assumptions: As seen in the attached map of the RTA Zone in Section 4, the RTA Tax Increment Area encompasses a significant portion of the City of Colorado

Springs. We therefore believe it reasonable to use the City’s historical sales tax growth as a proxy for historical growth in the RTA (between 3.18% and 3.7%, as calculated and discussed below). That said, we used a much more conservative 2.0% growth rate in our analysis.

- Sales Tax Growth Assumptions: City of Colorado Springs Ten Year Historical Sales Tax Growth Rate (2006 – 2015 Estimated)
 - 3.73% average annual growth without high and low year.
 - 3.18% average annual growth.

Historical Sales Tax Data: Colorado Springs		
Fiscal Year	City Sales Tax Revenue	% Change
2006	111,079,474	-
2007	113,680,758	2.34%
2008	106,320,165	-6.47%
2009	101,873,238	-4.18%
2010	108,592,208	6.60%
2011	112,364,892	3.47%
2012	119,936,514	6.74%
2013	125,996,400	5.05%
2014	133,696,017	6.11%
2015	145,728,659*	9.00%*
Average		3.18%
Average w/o High and Low		3.73%

▪ * FY 2015 estimate of revenues.

- Maximum RTA Zone State TIF Revenue: RTA Zone will generate a maximum of \$120.5 million in net new sales tax in the RTA over a maximum of 30 years.
- Maximum Sales Tax Increment Revenue: State Sales Tax Increment Revenue for the U.S. Olympic Museum project that shall not exceed \$62,660,000 over the course of the financing term.

Proposal Due Date

Proposals are due on [insert] by 5:00 PM MST. The financing is expected to close by late May/early June 2016.

Proposal Format

Proposers should use a term sheet format similar to the enclosed Sample Term Sheet.

Evaluation Criteria

The Museum will use a variety of criteria to evaluate the proposals. Proposers should be aware that consideration will be given (but not limited) to a demonstrated understanding of the financing structure, speed of the credit approval process, financial and security covenants, and the experience of proposed bank counsel and the assigned lawyers. The evaluation criteria may include some or all of the following:

- Proposed term of the facility
- Proposed annual and up-front fees

- Amortization requirements
- Willingness to mitigate ongoing risks inherent in the direct purchase structure
- Renewal options
- Pre-payment flexibility
- Demonstrated experience of the financial institution
- Costs of issuance
- Degree of credit approval at time of submission
- Remaining steps and time to final credit approval

Document List

Below is a list of documents enclosed with this Request for Proposal (“RFP”):

- Sample Term Sheet
- Executive Summary
- Budget and Cash Flow Projections
- TIF Revenue Estimates
- City for Champions: Response to EDC, December 9, 2013
- Design Concepts
- Fundraising Donor List
- Executed Colorado Economic Development Commission Resolution

Proposal Submission

Please email a copy of your proposal to each of the parties listed below by **5:00pm MST on [insert], 2016**. Late proposals may not be accepted. All proposals must be signed by an officer authorized to commit and negotiate on behalf of the financial institution.

Electronic proposals should be delivered to:

Mike Devine Managing Partner 216.401.6168 Algonquin Museum Services 2 Greenwich Office Park Greenwich, CT 06831 mdevine@algadfv.com	Robyn Moore Senior Vice President 303.391.5495 George K. Baum & Company 1400 Wewatta St, Suite 800 Denver, CO 80202 moore@gkbaum.com	Lee White Executive Vice President 303.391.5498 George K. Baum & Company 1400 Wewatta St, Suite 800 Denver, CO 80202 whiteml@gkbaum.com	Scott Shad Assistant Vice President 303.391.5520 George K. Baum & Company 1400 Wewatta St, Suite 800 Denver, CO 80202 shad@gkbaum.com
--	--	---	--

The Museum and the Colorado Springs Urban Renewal Authority reserve the right to reject any or all proposals, to conduct interviews, and to negotiate final terms with proposers. Nothing in this RFP, the responses, or in the acceptance of any responses in whole or in part shall oblige the Museum to complete negotiations with the related financial institution. The Museum reserves the right to end, in its sole discretion, negotiations with a financial institution at any time up to the consummation of the transactions arising from this RFP.

Schedule

The Museum expects to select its financing partner by the end of the week of [insert], 2016. Negotiation with the selected purchaser will be completed shortly thereafter. **The selected purchaser will be required to circulate a commitment letter and final term sheet. Sherman & Howard LLC serves as bond counsel to the Colorado Springs Urban Renewal Authority and in that capacity will draft the bond documents.**

Additional Information and Questions

For general information and questions, please call Robyn Moore (303-391-5495) or Scott Shad (303-391-5520) at George K. Baum & Company. Please do not contact the Museum or any of its Board members directly.

References

Please provide three references that we may contact.

Confidentiality

All materials contained herein are deemed confidential. Regardless of whether your bank submits a proposal, the contents in their entirety shall be expunged and in no circumstance shall any of the contents herein be disseminated or distributed to anyone other than the recipient bank.

Thank you in advance for your interest in this important financing.

Sincerely,



Robyn Moore
Senior Vice President



Lee White
Executive Vice President

Sample Term Sheet

United States Olympic Museum Project
Colorado Springs Urban Renewal Authority, Colorado
REQUEST FOR PROPOSALS
For a Tax-Exempt Direct Purchase

Characteristics of the Bonds

Issuer:	<u>Series A:</u> Colorado Springs Urban Renewal Authority, Colorado (Governmental Purpose Bonds)
Par Amount of Bonds:	<u>Series A:</u> Targeting \$35 million
Investment Banker / Placement Agent:	George K. Baum & Company
Type of Securities:	Tax-exempt loan
Security for Bonds:	<ul style="list-style-type: none">• Revenues from the portion of State Sales Tax Increment Revenue to be received by the Colorado Springs Urban Renewal Authority from the RTA Zone State Sales Tax Base with respect to the U.S. Olympic Museum project.• As outlined in the Colorado Economic Development Commission Resolution, the City for Champions Project (the name of the City's RTA project) will receive 13.08% of the State sales tax revenue collected within the RTA zone in excess of the base year revenue, of which 52% of the incremental sales tax revenue (42% designated to Museum and additional 10% allocated by the City for infrastructure improvements) is for the Museum Project. The total cumulative amount of State Sales Tax Increment Revenue to the U.S. Olympic Museum shall not exceed \$62,660,000 over the course of the financing term.• The Resolution also notes that a portion of the sales tax revenue may be used to pay for administrative costs associated with the City for Champions project. At this time we do not know the cost of these administrative expenses but we expect them to be a nominal amount. Additionally, the Urban Renewal Authority shall allocate 16% to the total City for Champions Project for eligible infrastructure improvements, of which 10% of this money will be used for infrastructure improvements.• Fully funded Debt Service Reserve Fund.• Please refer to the cover letter/executive summary for additional information.
Purpose of Bonds:	<ul style="list-style-type: none">• Fund the Museum Project's construction and infrastructure needs.• Fund the debt service reserve fund, costs of issuance, and any other necessary capital needs associated with the project.

Term Sheet

Proposers should feel free to comment on any other term sheet items. Proposers should follow a term sheet format in structuring the proposal.

Financial Institution: Full name of the proposing bank or financial institution (“Proposer”)

Type of Facility: Tax-Exempt Direct Purchase Drawdown Loan Facility (up to three year draw down period)

Amortization: Up to three years interest-only, followed by up to 20 years of amortization.

Amount: Targeting \$35 million

Term of Facility: The U.S. Olympic Museum is interested in evaluating pricing for term options up to 23 years (Resolution allows for up to 30 year financing term).

Renewal Options: Please list all options for renewal or extension of the facility. The U.S. Olympic Museum is interested in extension options as early as possible to minimize its refinancing risk.

Interest Rate Mode: The Museum prefers a fixed interest rate.

Interest Rate & Fees: Please provide indications of interest rate(s) and the amount of up-front, origination fees, or other fees, if any, and the formulas for calculating all interest rates and fees.

	Direct Purchase
Up-front Fee, if any	
Credit Spread	
Rate/Credit Spread	
__-year term	
__-year term	
__-year term	
Other Fees (i.e. unused fees, etc.)	

For each interest rate indication, provide the exact calculation detail for arriving at each interest rate.

Traditional Fixed Rate

- Bank cost of funds or specific bank index + credit spread = effective interest rate

Further, please indicate principal and interest payment schedule, i.e. annual, semi-annual, monthly and the basis for computing interest, i.e. 30/360, actual/360, etc.

Prepayment Options: Please describe any prepayment options for the Series A Bonds.

Excess State TIF Revenues: The Museum prefers any excess State TIF revenues can be used to fund the project, retire debt early, or used for other reasonable purposes subject to legal requirements.

Other Terms: Please indicate whether the Bank will remove the increased cost provisions related to regulatory change and changes in tax rate from the documents.

Other Fees: Please indicate other fees or expenses, if any, to be paid by the Museum, including out of pocket and cost of counsel to the financial institution. The Museum requires that the financial institution indicate a capped amount for out of pocket expenses and legal fees. Please indicate who the bank intends to use as its counsel and a capped fee quote as part of the proposal. The capped fees should take into consideration the fact that Sherman & Howard LLC will have primary drafting responsibility for the bond documents.

Financial Institution Counsel: Please indicate the name of the law firm and lead attorney(s) that your financial institution intends to retain as counsel to the financial institution.

Terms and Conditions: Indicate your terms and conditions and any covenants that would need to be included
 ⇒ Covenants (which must comply, in the judgment of bond counsel, with IRC Section 148 and the regulations thereunder, including without limitation, Treasury Regulation 1.148-1(c)(3)(ii)). Please list all major documents required by the bank, including any additional documents or agreements, such as a security agreement, etc.

SAMPLE TERM SHEET (Page 3)

- ⇒ Please note that the Museum will not accept a material adverse change clause as an ongoing event of default. Additionally, if the bonds are declared taxable, the U.S. Olympic Museum desires the right to keep the bonds outstanding at the taxable equivalent interest rate. Taxability should not trigger an event of default.
- ⇒ Any requirements for moving primary accounts or other auxiliary business.
- ⇒ Please indicate what the bank's default rate is – if it is not spelled out in the Term Sheet the U.S. Olympic Museum will assume that it is NOTE RATE PLUS 2%.

Governing Law:

State of Colorado

Contact:

Name, title, address, phone number of the contact person authorized to negotiate on behalf of the financial institution

Appendix F: Sample Debt Service Schedules

5-Year Bank Direct Placement and Public Bond Offering (As Rated BBB-)

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Table of Contents

Report

Sources & Uses.....	1
Net Debt Service Schedule.....	2
Debt Service Schedule.....	3
Pricing Summary.....	4
Operation Of Project Construction Fund.....	5
Revenue Summary.....	6
Coverage Ratio.....	7

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Sources & Uses

Dated 05/01/2016 | Delivered 05/01/2016

Sources Of Funds

Par Amount of Bonds..... \$34,095,000.00

Total Sources..... \$34,095,000.00

Uses Of Funds

Costs of Issuance..... 681,900.00

Deposit to Debt Service Reserve Fund (DSRF)..... 3,409,500.00

Deposit to Project Construction Fund..... 30,000,000.00

Rounding Amount..... 3,600.00

Total Uses..... \$34,095,000.00

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S
12/01/2016	-	-	574,784.88	574,784.88	(39,753.97)	535,030.91
12/01/2017	-	-	985,345.50	985,345.50	(68,190.00)	917,155.50
12/01/2018	570,000.00	2.890%	985,345.50	1,555,345.50	(68,190.00)	1,487,155.50
12/01/2019	775,000.00	2.890%	968,872.50	1,743,872.50	(68,190.00)	1,675,682.50
12/01/2020	995,000.00	2.890%	946,475.00	1,941,475.00	(68,190.00)	1,873,285.00
12/01/2021	1,220,000.00	2.890%	917,719.50	2,137,719.50	(68,190.00)	2,069,529.50
12/01/2022	1,455,000.00	2.890%	882,461.50	2,337,461.50	(68,190.00)	2,269,271.50
12/01/2023	1,705,000.00	2.890%	840,412.00	2,545,412.00	(68,190.00)	2,477,222.00
12/01/2024	1,965,000.00	2.890%	791,137.50	2,756,137.50	(68,190.00)	2,687,947.50
12/01/2025	2,235,000.00	2.890%	734,349.00	2,969,349.00	(68,190.00)	2,901,159.00
12/01/2026	2,515,000.00	2.890%	669,757.50	3,184,757.50	(68,190.00)	3,116,567.50
12/01/2027	2,810,000.00	2.890%	597,074.00	3,407,074.00	(68,190.00)	3,338,884.00
12/01/2028	3,120,000.00	2.890%	515,865.00	3,635,865.00	(68,190.00)	3,567,675.00
12/01/2029	3,440,000.00	2.890%	425,697.00	3,865,697.00	(68,190.00)	3,797,507.00
12/01/2030	3,780,000.00	2.890%	326,281.00	4,106,281.00	(68,190.00)	4,038,091.00
12/01/2031	4,130,000.00	2.890%	217,039.00	4,347,039.00	(68,190.00)	4,278,849.00
12/01/2032	3,380,000.00	2.890%	97,682.00	3,477,682.00	(3,477,690.00)	(8.00)
Total	\$34,095,000.00	-	\$11,476,298.38	\$45,571,298.38	(4,540,293.97)	\$41,031,004.41

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2016	-	-	574,784.88	574,784.88
12/01/2017	-	-	985,345.50	985,345.50
12/01/2018	570,000.00	2.890%	985,345.50	1,555,345.50
12/01/2019	775,000.00	2.890%	968,872.50	1,743,872.50
12/01/2020	995,000.00	2.890%	946,475.00	1,941,475.00
12/01/2021	1,220,000.00	2.890%	917,719.50	2,137,719.50
12/01/2022	1,455,000.00	2.890%	882,461.50	2,337,461.50
12/01/2023	1,705,000.00	2.890%	840,412.00	2,545,412.00
12/01/2024	1,965,000.00	2.890%	791,137.50	2,756,137.50
12/01/2025	2,235,000.00	2.890%	734,349.00	2,969,349.00
12/01/2026	2,515,000.00	2.890%	669,757.50	3,184,757.50
12/01/2027	2,810,000.00	2.890%	597,074.00	3,407,074.00
12/01/2028	3,120,000.00	2.890%	515,865.00	3,635,865.00
12/01/2029	3,440,000.00	2.890%	425,697.00	3,865,697.00
12/01/2030	3,780,000.00	2.890%	326,281.00	4,106,281.00
12/01/2031	4,130,000.00	2.890%	217,039.00	4,347,039.00
12/01/2032	3,380,000.00	2.890%	97,682.00	3,477,682.00
Total	\$34,095,000.00	-	\$11,476,298.38	\$45,571,298.38

Yield Statistics

Bond Year Dollars.....	\$397,103.75
Average Life.....	11.647 Years
Average Coupon.....	2.8900000%
Net Interest Cost (NIC).....	2.8900000%
True Interest Cost (TIC).....	2.8901481%
Bond Yield for Arbitrage Purposes.....	2.8901481%
All Inclusive Cost (AIC).....	3.0993796%

IRS Form 8038

Net Interest Cost.....	2.8900000%
Weighted Average Maturity.....	11.647 Years

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/01/2032	Term 1 Coupon	2.890%	2.890%	34,095,000.00	100.000%	34,095,000.00
Total	-	-	-	\$34,095,000.00	-	\$34,095,000.00

Bid Information

Par Amount of Bonds.....	\$34,095,000.00
Gross Production.....	\$34,095,000.00
Bid (100.000%).....	34,095,000.00
Total Purchase Price.....	\$34,095,000.00
Bond Year Dollars.....	\$397,103.75
Average Life.....	11.647 Years
Average Coupon.....	2.8900000%
Net Interest Cost (NIC).....	2.8900000%
True Interest Cost (TIC).....	2.8901481%

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Operation Of Project Construction Fund

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
05/01/2016	30,000,000.00	-	30,000,000.00	30,000,000.00	-
Total	\$30,000,000.00	-	\$30,000,000.00	\$30,000,000.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	GIC
Default investment yield target.....	Unrestricted
Cost of Investments Purchased with Bond Proceeds.....	30,000,000.00
Total Cost of Investments.....	\$30,000,000.00
Target Cost of Investments at bond yield.....	\$30,000,000.00
Yield to Receipt.....	-
Yield for Arbitrage Purposes.....	2.8901481%

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Revenue Summary

DATE	TIF Rev: 2.00% GR	TOTAL
12/01/2016	2,903,317.00	2,903,317.00
12/01/2017	1,638,644.00	1,638,644.00
12/01/2018	1,901,996.00	1,901,996.00
12/01/2019	2,170,614.00	2,170,614.00
12/01/2020	2,444,605.00	2,444,605.00
12/01/2021	2,724,076.00	2,724,076.00
12/01/2022	3,009,136.00	3,009,136.00
12/01/2023	3,299,897.00	3,299,897.00
12/01/2024	3,596,474.00	3,596,474.00
12/01/2025	3,898,982.00	3,898,982.00
12/01/2026	4,207,540.00	4,207,540.00
12/01/2027	4,522,269.00	4,522,269.00
12/01/2028	4,843,293.00	4,843,293.00
12/01/2029	5,170,738.00	5,170,738.00
12/01/2030	5,504,731.00	5,504,731.00
12/01/2031	5,845,404.00	5,845,404.00
12/01/2032	4,978,284.00	4,978,284.00
Total	\$62,660,000.00	\$62,660,000.00

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- 5 Year Term @ 2.89%, \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Coverage Ratio

Date	Total Revenues	Total D/S	Coverage
12/01/2016	2,943,070.97	574,784.88	5.12x
12/01/2017	1,706,834.00	985,345.50	1.73x
12/01/2018	1,970,186.00	1,555,345.50	1.27x
12/01/2019	2,238,804.00	1,743,872.50	1.28x
12/01/2020	2,512,795.00	1,941,475.00	1.29x
12/01/2021	2,792,266.00	2,137,719.50	1.31x
12/01/2022	3,077,326.00	2,337,461.50	1.32x
12/01/2023	3,368,087.00	2,545,412.00	1.32x
12/01/2024	3,664,664.00	2,756,137.50	1.33x
12/01/2025	3,967,172.00	2,969,349.00	1.34x
12/01/2026	4,275,730.00	3,184,757.50	1.34x
12/01/2027	4,590,459.00	3,407,074.00	1.35x
12/01/2028	4,911,483.00	3,635,865.00	1.35x
12/01/2029	5,238,928.00	3,865,697.00	1.36x
12/01/2030	5,572,921.00	4,106,281.00	1.36x
12/01/2031	5,913,594.00	4,347,039.00	1.36x
12/01/2032	8,455,974.00	3,477,682.00	2.43x
Total	\$67,200,293.97	\$45,571,298.38	-

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Table of Contents

Report

Sources & Uses.....	1
Net Debt Service Schedule.....	2
Debt Service Schedule.....	3
Pricing Summary.....	4
Operation Of Project Construction Fund.....	5
Revenue Summary.....	6
Coverage Ratio.....	7

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Sources & Uses

Dated 05/01/2016 | Delivered 05/01/2016

Sources Of Funds

Par Amount of Bonds.....	\$29,245,000.00
Reoffering Premium.....	4,267,254.30

Total Sources.....	\$33,512,254.30
---------------------------	------------------------

Uses Of Funds

Costs of Issuance.....	584,900.00
Deposit to Debt Service Reserve Fund (DSRF).....	2,924,500.00
Deposit to Project Construction Fund.....	30,000,000.00
Rounding Amount.....	2,854.30

Total Uses.....	\$33,512,254.30
------------------------	------------------------

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S
12/01/2016	-	-	849,654.17	849,654.17	(34,098.98)	815,555.19
12/01/2017	-	-	1,456,550.00	1,456,550.00	(58,490.00)	1,398,060.00
12/01/2018	-	-	1,456,550.00	1,456,550.00	(58,490.00)	1,398,060.00
12/01/2019	180,000.00	4.000%	1,456,550.00	1,636,550.00	(58,490.00)	1,578,060.00
12/01/2020	390,000.00	4.000%	1,449,350.00	1,839,350.00	(58,490.00)	1,780,860.00
12/01/2021	610,000.00	5.000%	1,433,750.00	2,043,750.00	(58,490.00)	1,985,260.00
12/01/2022	855,000.00	5.000%	1,403,250.00	2,258,250.00	(58,490.00)	2,199,760.00
12/01/2023	1,115,000.00	5.000%	1,360,500.00	2,475,500.00	(58,490.00)	2,417,010.00
12/01/2024	1,390,000.00	5.000%	1,304,750.00	2,694,750.00	(58,490.00)	2,636,260.00
12/01/2025	1,680,000.00	5.000%	1,235,250.00	2,915,250.00	(58,490.00)	2,856,760.00
12/01/2026	1,995,000.00	5.000%	1,151,250.00	3,146,250.00	(58,490.00)	3,087,760.00
12/01/2027	2,330,000.00	5.000%	1,051,500.00	3,381,500.00	(58,490.00)	3,323,010.00
12/01/2028	2,685,000.00	5.000%	935,000.00	3,620,000.00	(58,490.00)	3,561,510.00
12/01/2029	3,060,000.00	5.000%	800,750.00	3,860,750.00	(58,490.00)	3,802,260.00
12/01/2030	3,460,000.00	5.000%	647,750.00	4,107,750.00	(58,490.00)	4,049,260.00
12/01/2031	3,885,000.00	5.000%	474,750.00	4,359,750.00	(58,490.00)	4,301,260.00
12/01/2032	5,610,000.00	5.000%	280,500.00	5,890,500.00	(2,982,990.00)	2,907,510.00
Total	\$29,245,000.00	-	\$18,747,654.17	\$47,992,654.17	(3,894,438.98)	\$44,098,215.19

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2016	-	-	849,654.17	849,654.17
12/01/2017	-	-	1,456,550.00	1,456,550.00
12/01/2018	-	-	1,456,550.00	1,456,550.00
12/01/2019	180,000.00	4.000%	1,456,550.00	1,636,550.00
12/01/2020	390,000.00	4.000%	1,449,350.00	1,839,350.00
12/01/2021	610,000.00	5.000%	1,433,750.00	2,043,750.00
12/01/2022	855,000.00	5.000%	1,403,250.00	2,258,250.00
12/01/2023	1,115,000.00	5.000%	1,360,500.00	2,475,500.00
12/01/2024	1,390,000.00	5.000%	1,304,750.00	2,694,750.00
12/01/2025	1,680,000.00	5.000%	1,235,250.00	2,915,250.00
12/01/2026	1,995,000.00	5.000%	1,151,250.00	3,146,250.00
12/01/2027	2,330,000.00	5.000%	1,051,500.00	3,381,500.00
12/01/2028	2,685,000.00	5.000%	935,000.00	3,620,000.00
12/01/2029	3,060,000.00	5.000%	800,750.00	3,860,750.00
12/01/2030	3,460,000.00	5.000%	647,750.00	4,107,750.00
12/01/2031	3,885,000.00	5.000%	474,750.00	4,359,750.00
12/01/2032	5,610,000.00	5.000%	280,500.00	5,890,500.00
Total	\$29,245,000.00	-	\$18,747,654.17	\$47,992,654.17

Yield Statistics

Bond Year Dollars.....	\$375,439.58
Average Life.....	12.838 Years
Average Coupon.....	4.9935209%
Net Interest Cost (NIC).....	3.8569188%
True Interest Cost (TIC).....	3.5502237%
Bond Yield for Arbitrage Purposes.....	3.2605229%
All Inclusive Cost (AIC).....	3.7333879%

IRS Form 8038

Net Interest Cost.....	3.3720298%
Weighted Average Maturity.....	12.814 Years

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
12/01/2019	Serial Coupon	4.000%	1.670%	180,000.00	108.070%	-	-	-	194,526.00
12/01/2020	Serial Coupon	4.000%	1.910%	390,000.00	109.128%	-	-	-	425,599.20
12/01/2021	Serial Coupon	5.000%	2.170%	610,000.00	114.803%	-	-	-	700,298.30
12/01/2022	Serial Coupon	5.000%	2.420%	855,000.00	115.612%	-	-	-	988,482.60
12/01/2023	Serial Coupon	5.000%	2.630%	1,115,000.00	116.195%	-	-	-	1,295,574.25
12/01/2024	Serial Coupon	5.000%	2.830%	1,390,000.00	116.431%	-	-	-	1,618,390.90
12/01/2025	Serial Coupon	5.000%	2.990%	1,680,000.00	116.638%	-	-	-	1,959,518.40
12/01/2026	Serial Coupon	5.000%	3.100%	1,995,000.00	117.028%	-	-	-	2,334,708.60
12/01/2027	Serial Coupon	5.000%	3.190%	2,330,000.00	116.146%	c 3.310%	12/01/2026	100.000%	2,706,201.80
12/01/2028	Serial Coupon	5.000%	3.270%	2,685,000.00	115.369%	c 3.481%	12/01/2026	100.000%	3,097,657.65
12/01/2029	Serial Coupon	5.000%	3.340%	3,060,000.00	114.694%	c 3.621%	12/01/2026	100.000%	3,509,636.40
12/01/2030	Serial Coupon	5.000%	3.390%	3,460,000.00	114.214%	c 3.727%	12/01/2026	100.000%	3,951,804.40
12/01/2031	Serial Coupon	5.000%	3.470%	3,885,000.00	113.452%	c 3.844%	12/01/2026	100.000%	4,407,610.20
12/01/2032	Serial Coupon	5.000%	3.550%	5,610,000.00	112.696%	c 3.949%	12/01/2026	100.000%	6,322,245.60
Total	-	-	-	\$29,245,000.00	-	-	-	-	\$33,512,254.30

Bid Information

Par Amount of Bonds.....	\$29,245,000.00
Reoffering Premium or (Discount).....	4,267,254.30
Gross Production.....	\$33,512,254.30
 Bid (114.591%).....	 33,512,254.30
 Total Purchase Price.....	 \$33,512,254.30
 Bond Year Dollars.....	 \$375,439.58
Average Life.....	12.838 Years
Average Coupon.....	4.9935209%
 Net Interest Cost (NIC).....	 3.8569188%
True Interest Cost (TIC).....	3.5502237%

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Operation Of Project Construction Fund

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
05/01/2016	30,000,000.00	-	30,000,000.00	30,000,000.00	-
Total	\$30,000,000.00	-	\$30,000,000.00	\$30,000,000.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	GIC
Default investment yield target.....	Unrestricted
Cost of Investments Purchased with Bond Proceeds.....	30,000,000.00
Total Cost of Investments.....	\$30,000,000.00
Target Cost of Investments at bond yield.....	\$30,000,000.00
Yield to Receipt.....	-
Yield for Arbitrage Purposes.....	3.2605229%

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Revenue Summary

DATE	TIF Rev: 2.00% GR	TOTAL
12/01/2016	2,903,317.00	2,903,317.00
12/01/2017	1,638,644.00	1,638,644.00
12/01/2018	1,901,996.00	1,901,996.00
12/01/2019	2,170,614.00	2,170,614.00
12/01/2020	2,444,605.00	2,444,605.00
12/01/2021	2,724,076.00	2,724,076.00
12/01/2022	3,009,136.00	3,009,136.00
12/01/2023	3,299,897.00	3,299,897.00
12/01/2024	3,596,474.00	3,596,474.00
12/01/2025	3,898,982.00	3,898,982.00
12/01/2026	4,207,540.00	4,207,540.00
12/01/2027	4,522,269.00	4,522,269.00
12/01/2028	4,843,293.00	4,843,293.00
12/01/2029	5,170,738.00	5,170,738.00
12/01/2030	5,504,731.00	5,504,731.00
12/01/2031	5,845,404.00	5,845,404.00
12/01/2032	4,978,284.00	4,978,284.00
Total	\$62,660,000.00	\$62,660,000.00

United State Olympic Museum Project

Series 2016 RTA Tax Increment Financing- Bank Direct Placement

3/21- Bond Issue, As Rated "BBB-", \$30 MM in Proceeds

Rev Estimate: Growth Rate of 2.00%, 52% Rev to USOM, No Proj Revenues

Coverage Ratio

Date	Total Revenues	Total D/S	Coverage
12/01/2016	2,937,415.98	849,654.17	3.46x
12/01/2017	1,697,134.00	1,456,550.00	1.17x
12/01/2018	1,960,486.00	1,456,550.00	1.35x
12/01/2019	2,229,104.00	1,636,550.00	1.36x
12/01/2020	2,503,095.00	1,839,350.00	1.36x
12/01/2021	2,782,566.00	2,043,750.00	1.36x
12/01/2022	3,067,626.00	2,258,250.00	1.36x
12/01/2023	3,358,387.00	2,475,500.00	1.36x
12/01/2024	3,654,964.00	2,694,750.00	1.36x
12/01/2025	3,957,472.00	2,915,250.00	1.36x
12/01/2026	4,266,030.00	3,146,250.00	1.36x
12/01/2027	4,580,759.00	3,381,500.00	1.35x
12/01/2028	4,901,783.00	3,620,000.00	1.35x
12/01/2029	5,229,228.00	3,860,750.00	1.35x
12/01/2030	5,563,221.00	4,107,750.00	1.35x
12/01/2031	5,903,894.00	4,359,750.00	1.35x
12/01/2032	7,961,274.00	5,890,500.00	1.35x
Total	\$66,554,438.98	\$47,992,654.17	-