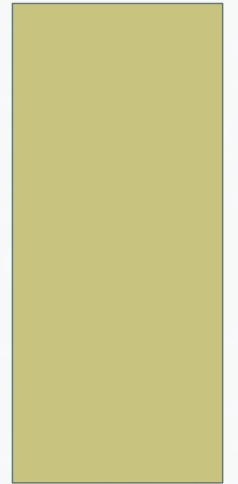


Attachment 1

840 YAMPA SALE

DECEMBER 18, 2012



WHO ARE WE SELLING TO?

- Big Agnes is an internationally recognized recreation equipment manufacturer.
 - *National Geographic Adventure* 2012 Gear of the Year Award.
 - *Outside Magazine* 2012 Best in Show; 2011 Gear of the Year.
 - *Backpacker Magazine* 2011 & 2010 Editors' Choice Award. ("Since their inception, the *Backpacker* Editors' Choice Awards have come to be regarded as the most sought-after award for outdoor equipment and apparel found in the industry.)
 - *Men's Journal* 2009 Best Gear of the Year.

BIG AGNES

- The company supports 63 Steamboat employees now – each with jobs paying on average \$55,000.
- With Routt County median income at \$42,000, Big Agnes satisfies #3D requirements in Council's Economic Development Policies.
- Big Agnes feels it has a corporate social responsibility and demonstrates that in many ways. One way is by supporting alternative energy, purchasing 100% wind generated power for its offices and warehouse.

LET'S TALK ABOUT THE PRICE

- Some would say that the market price of a property is what a willing buyer will pay and the seller will sell for.
- In the eleven months we have been talking about this transaction, Big Agnes is the only firm offer received.
- On page 3 of the appraisal, there was a section titled "Appraisal Problems."
 - There have been no sales in the neighborhood since 2007.
 - The one other site on the market had been listed at \$2,800,000 in 2009, but at the time of the appraisal (Jan 2012) was listed at \$1,650,000.
 - Of developments approved for the area between 2007 and 2009, none had been developed and a few had been "flat-out abandoned."
- It is very possible, even probable, as Big Agnes' realtor contends that \$2,108,000 is a fair price for the property.

DOLLARS PER SQUARE FOOT

- \$159.69 per square foot/Building.
 - Appraisal states that that buildings along Yampa during the “boom” sold between \$125 and \$190 per square foot.
 - The Chase building on Lincoln sold this year for \$145.28 per square foot.
- \$62.85 per square foot/Land.
 - Tom Ross’ October 31, 2012, article quoted another Steamboat appraiser who guessed that downtown properties should sell for \$50-\$75 per square foot today.

RETURN ON INVESTMENT

- BAP gross payroll \$2,750,000 annually. Source: YVDP, Scott Ford
- Disposable income of \$2,254,098. Source: YVDP, Scott Ford
- Induced (other jobs created to support this group) Income of \$130,262 annually. Source: YVDP, Scott Ford
- Steamboat Sales tax expected annually from this group of employees \$41,203. Source: Source: YVDP, Scott Ford
- The addition of 15 employees in the next two years will increase City sales tax by \$10,000 per year.
- If only one new restaurant is incented to build on Yampa as a result of this kick-start, it will return an annual \$48,000 to the City in sales tax.
- The community further benefits in over \$22,000 annually in property taxes as the building goes from governmental to commercial use and \$41,909 in sales tax to other governments through Big Agnes employee spending.
- 200 to 250 tradesmen – all trades – in the construction industry will be employed in building the new fire and police stations.

CLAW-BACK PROVISIONS

- Claw-back provisions are conditions of the sale and are intended to ensure the City receives the economic benefit that is intended in the sale.
- For seven years Big Agnes would not be able to sell the two parking lot parcels without the City's approval.
- For seven years Big Agnes would be required to occupy the facility.