

LCDC gives preliminary approval for \$10M in funding for NIC Events Center

The LCDC board of directors on Wednesday voted unanimously to grant preliminary/conditional approval of North Idaho College's request for \$10 million in funding for and Event Center at Riverstone. Final approval is contingent on several factors, a formal funding request from the college.

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"The proposed project fits well with our mission statement to create a healthy economic climate," says Rod Colwell, an LCDC board member who serves as chair of the agency's finance committee. "This facility would be one the whole community can enjoy and the economic impact should be significant. It's great to see a major project like this proposed within our River District and the LCDC is excited with the prospect of being involved," Colwell added.

The recommendation is based upon the following *conditions* (these conditions are not all inclusive and are subject to change as further information is received from NIC):

- Formal Request: NIC leadership will make a formal partnership funding request of LCDC prior to any binding funding commitment by LCDC.
- Third Party Financial Advisor: LCDC will seek the concurrence of a third party financial advisor that the LCDC River District has the projected financial capability to adequately fund the proposed \$10 million debt obligation.
- Event Center Property: the selected property parcel for the proposed Event Center needs to reside in its entirety within the LCDC River District boundary. The parcel also needs to be of adequate size to handle the planned Event Center development (i.e. facility, parking, etc.). If the desired property parcel does not completely reside in the River District, NIC will need to advocate to the CDA City Council for the parcel to be included within the LCDC's River District.
- Fundraising: NIC will need to have raised the proposed \$5 million in fundraising and spend those dollars on the proposed Event Center project (land and facility) prior to the spending of any LCDC partnership funds.
- Event Center Management: Professional management of the Event Center needs to be given due consideration by NIC, in consultation with a "community advisory board" as a way to assure efficient operation, adequate outside event bookings and income generation to reduce the burden on NIC's operating budget, as well as to manage community use. NIC should be given the latitude to devise a management strategy to achieve this functionality, without professional management, if proven to be a viable alternative. The creation of a community advisory board is suggested as a condition to insure that NIC administration does not become unyielding to the needs of the rest of the community. For example, the advisory board may

suggest a memorandum of understanding be developed between NIC and the city regarding city recreation uses which would be a valuable instrument in assuring community usage.

- Event Center Construction Cost: a revalidation of estimated construction costs for the Event Center as proposed needs to be performed prior to the end of the 2013 calendar year. This revised cost estimate should include a sizeable contingency amount.