



SECOND CREEK CAMPUS DISTRICT LEASE AGREEMENT

April 5, 2023

JIM STARLING, EVP - CHIEF CONSTRUCTION AND INFRASTRUCTURE OFFICER
KEN COPE, SVP OF REAL ESTATE DEVELOPMENT

AGENDA

- Opening Remarks
- City Council Request
- Procurement Process and Timeline
- Development Concept
- Lessee Information
- Open Discussion and Closing





100 MILLION ANNUAL PASSENGERS

- SUSTAINABILITY & RESILIENCY • EQUITY, DIVERSITY, INCLUSION & ACCESSIBILITY
- OPERATIONAL EXCELLENCE • ENHANCING THE CUSTOMER EXPERIENCE

PILLAR 1



EMPOWERING OUR PEOPLE

- Develop Workforce Leadership Strategy
- Establish Center of Equity and Excellence in Aviation
- Enable Employee Innovation

PILLAR 2



GROWING OUR INFRASTRUCTURE

- Complete Major Infrastructure Projects
- Update Master Plan
- Develop Infrastructure Plan for DEN Real Estate

PILLAR 3



MAINTAINING WHAT WE HAVE

- Upgrade and Improve the Existing Facility
- Update Strategic Asset Management Plan
- Implement Customer-Focused Initiatives
- Develop Greenhouse Gas Emissions Reduction Plan

PILLAR 4

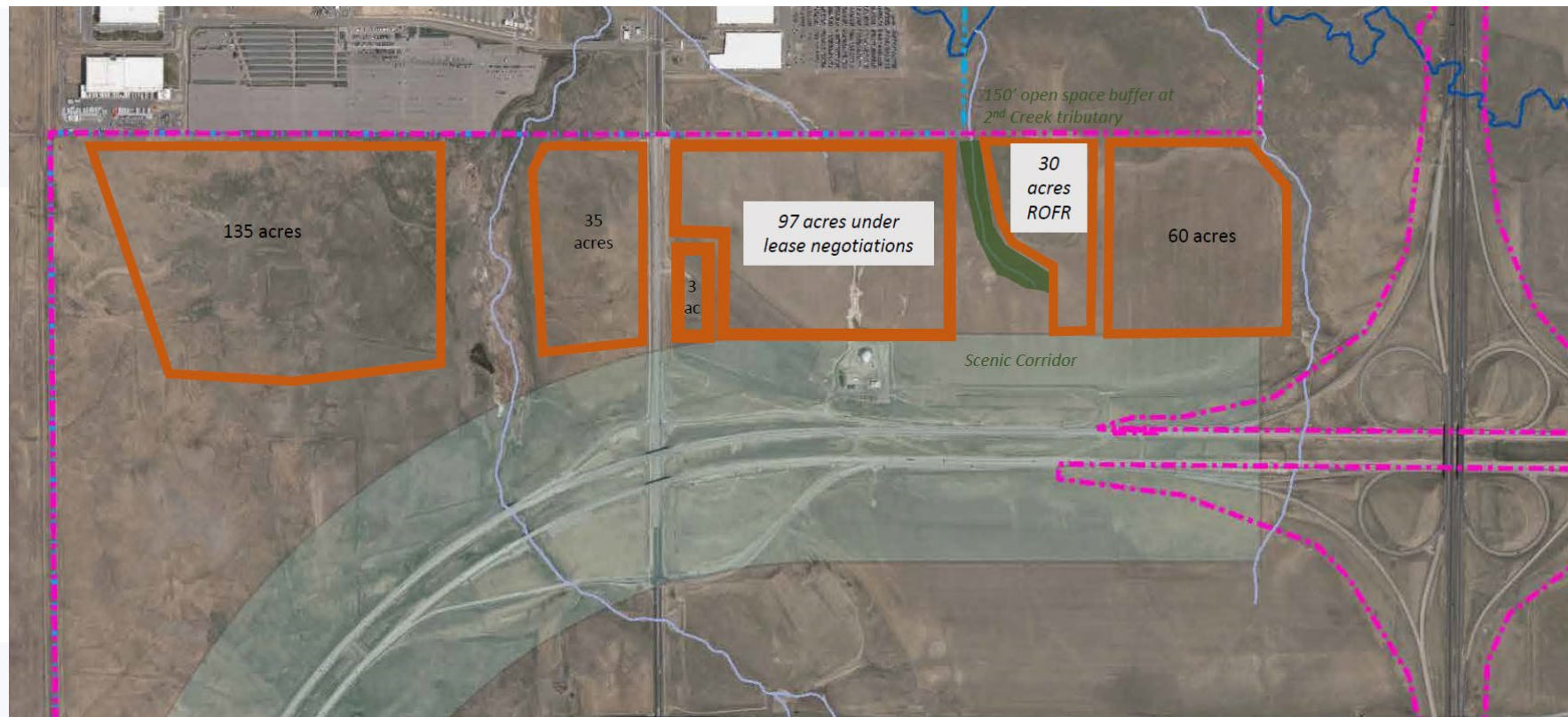


EXPANDING OUR GLOBAL CONNECTIONS

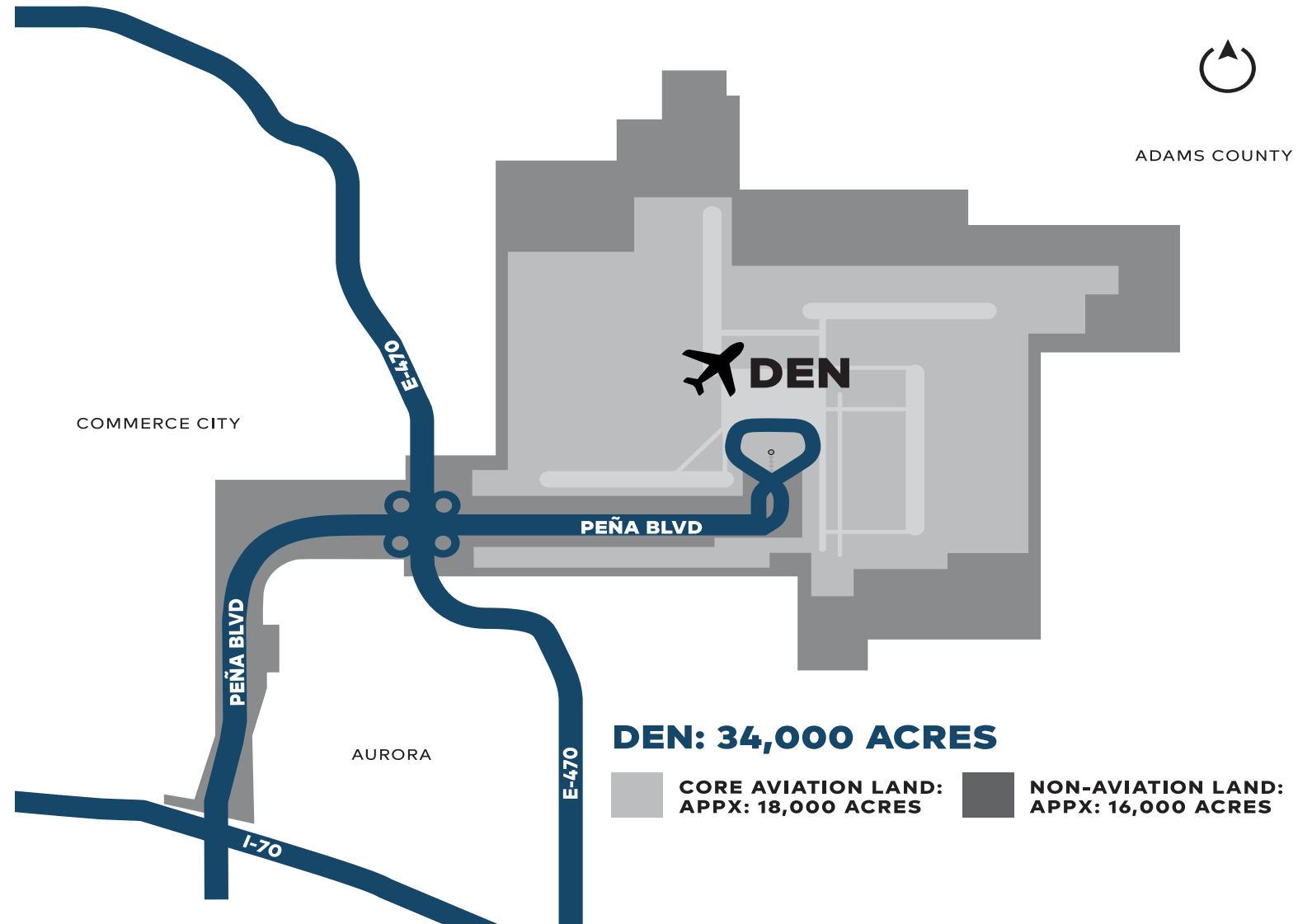
- Identify Air Cargo Opportunities
- Expand to Disconnected Destinations (e.g. Africa)
- Grow our Domestic Network

CITY COUNCIL REQUEST

To approve lease agreement between Swire Infrastructure Inc. and DEN for the construction and development of a manufacturing, bottling, and distribution facility located east of Tower Road at DEN's Second Creek Campus district.



COMMERCIAL LAND OPPORTUNITIES



DISTRICT OVERVIEW



PENA STATION NEXT

SECOND CREEK

72ND & HIMALAYA

WEST APPROACH

EAST APPROACH

AEROINDUSTRIAL DISTRICT

ENTITLEMENT



- Applicable Zoning Sections: 9.5.2 DENVER INTERNATIONAL AIRPORT ZONE DISTRICT (DIA)
 - 9.5.2.1 Building Forms – *The **Denver Manager of Aviation** shall determine all applicable building form standards in the DIA zone district.*
 - 9.5.2.2 Design Standards
 - A. Signage – *Design and development standards governing signage in the DIA zone district shall be determined by the **Denver Manager of Aviation**, except that in the Peña Station Next Design Overlay District, Section 9.4.5.10 and Division 10.10 Signs shall apply*
 - B. All Other Design Standards – *All other design and development standards governing uses and structures in the DIA zone district, including but not limited to landscaping and parking, shall be determined by the **Denver Manager of Aviation***

DEVELOPMENT REVIEW



CPD Concept Review

- Project is subject to CCD Community Planning And Development (CPD) for Concept Review if it is adjacent to City ROW or roads maintained by DOTI, if it is west of E470, or if it is part of Peña Station Next
- In coordination with DEN project manager, applicant submits concept plans to CPD Development Project division via ePermit for feedback as relevant to community planning, roadways, wastewater or parks and open space

DEN Site Plan Review

- DEN RE Project Manager submits plans and architectural elevations for review by DEN Design Review Committee
- DEN RE Project Manager schedules preliminary review by DEN liaisons for Denver fire Department and CPD building safety
- DEN RE Project Manager submits landscape plans to USDA for review

DEN Engineering Review

- DEN RE Project manager schedules review of civil plans and supporting documents with Airport Infrastructure Management (AIM).
- Documents may include: geotech, TIS, utility master plan, drainage, erosion control, infrastructure operations, environmental
- QA/QC as required by DEN for review through project, such as: testing frequency schedule, inspection reports and construction submittals
- Denver Water – internal review by DEN before applicant submits plans to Denver Water for review

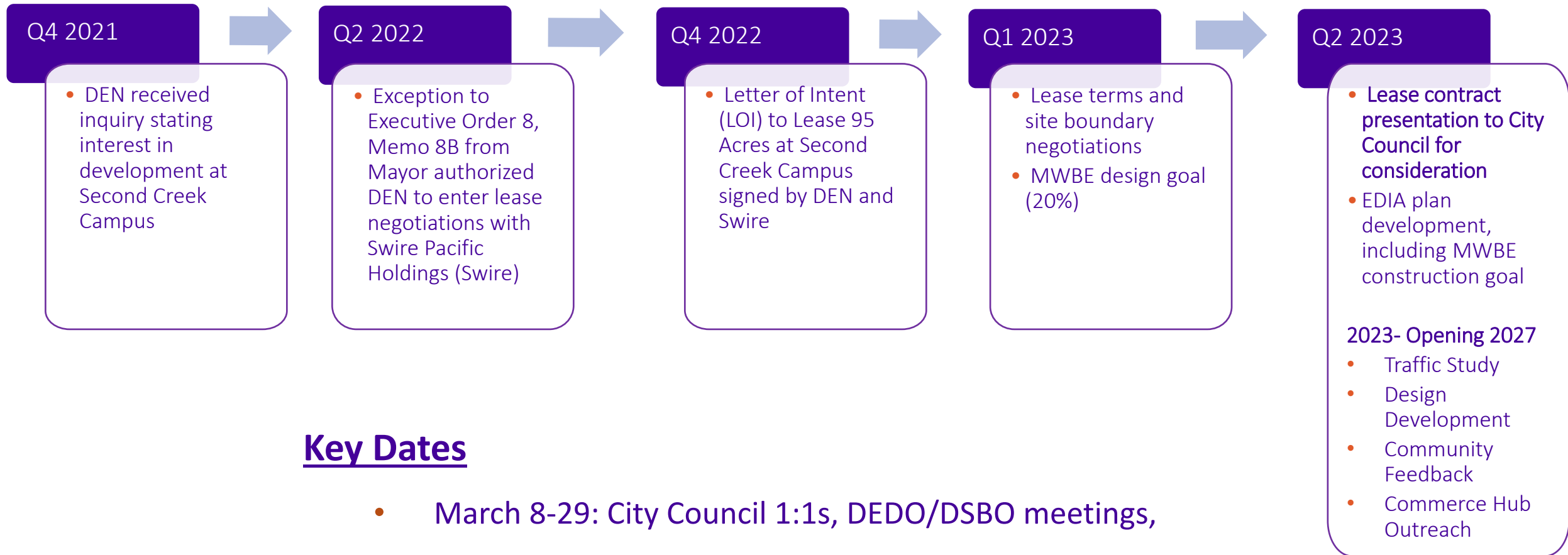
FAA Review

- Applicant sends FAA Form 7460-1 process (Notice of Proposed Construction or Alteration), of any structure or temporary construction equipment (e.g., cranes) that penetrate Part 77 to DEN Planning for review
- DEN Planning submits plans to FAA on behalf of applicant
- Note: FAA advisory circular 18B also required submittal of as-built record drawings at project conclusion

LOA and Permit Submittal

- DEN Permit Manager confirms DEN approvals and transmits draft Letter of Authorization Process (LOA) to Denver Community Planning and Development
- SSPR and SUDP applications can be submitted after coordination and review with DEN.
- Applicant uploads plans via ePermit with signed LOA and construction cost estimate attached

PROCUREMENT PROCESS



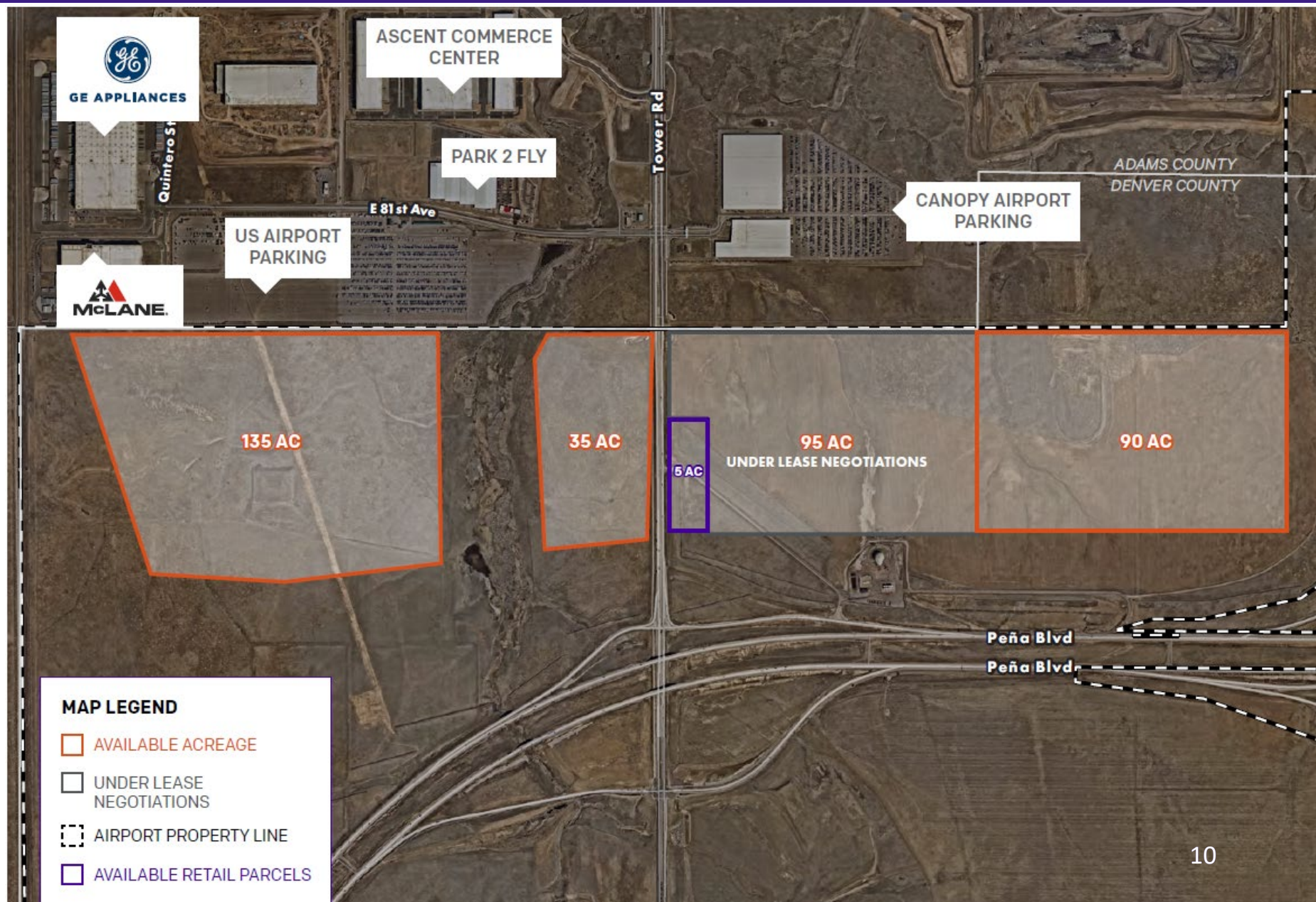
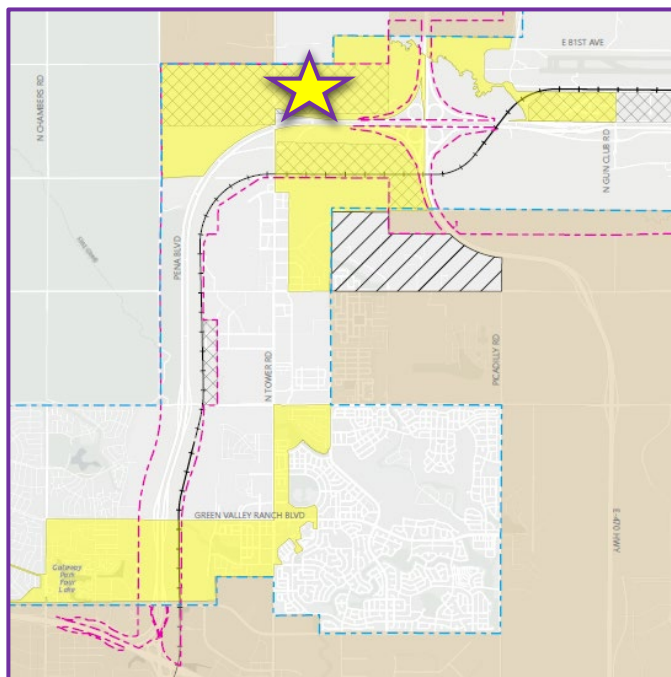
Key Dates

- March 8-29: City Council 1:1s, DEDO/DSBO meetings, Swire employee announcement
- April 05: Biz Committee
- April 17: City Council

SECOND CREEK DISTRICT

Denver Enterprise Zone

-  Denver County Enterprise Zone
-  Adams County Enterprise Zone
-  Development District at DEN
-  Regional Tourism Act - Gaylord Rockies Resort
-  DEN Property Line
-  County Annexation Line
-  Railroad



SWIRE COCA-COLA – LEASE TERMS



- Term: 75-year term with three 8-year extension options (99-year maximum term)
 - Tenant cancellation option after Year 30 and Year 55
- Rent: \$.21/sf in Year 1 with 2% annual escalation (~\$900,000 in Year 1)
 - Fair market value rent adjustments in Year 31 and Year 56 not to exceed 3% annual escalation
- Social Ordinance Compliance:
 - MWBE Design Goals
 - MWBE Construction Goals & EDIA Plan Submittal
 - City Prevailing Wage / Minimum Wage
 - Non-discrimination Policies

SWIRE COCA-COLA – FINANCIAL RETURNS



- Infrastructure Financing Assumptions:
- Estimated cost of ~\$50M (enables entire District east of Tower Road)
- DEN's Contribution Capped at \$10M
- Remaining \$40M Costs Paid by
 - Swire Directly and/or
 - District Financing (reimbursed by future tenants)

LEASE REVENUE TO DEN - 97 ACRES				
	<u>Year 30 (cancel option)</u>	<u>Year 55 (cancel option)</u>	<u>Year 75 (initial term)</u>	<u>Year 99 (max term)</u>
DEN Capital Investment	\$ (10,000,000)	\$ (10,000,000)	\$ (10,000,000)	\$ (10,000,000)
Net Cash Flow to DEN	\$ 26,000,000	\$ 77,500,000	\$ 141,500,000	\$ 260,700,000

*Infrastructure Costs Subject to Change

PROJECT OVERVIEW

- **Construction Scope:**

- Production: 400k sq. ft.
- Warehouse: 670k sq. ft.
- Sales Office: 30k sq. ft.
- Fleet: 20k sq. ft.
- **Total: 1,120k sq. ft.**

- **Investment:**

- Building: \$200-300M
- Equipment: \$100-150M
- Infrastructure: \$50M
- **Total: \$350-500M**

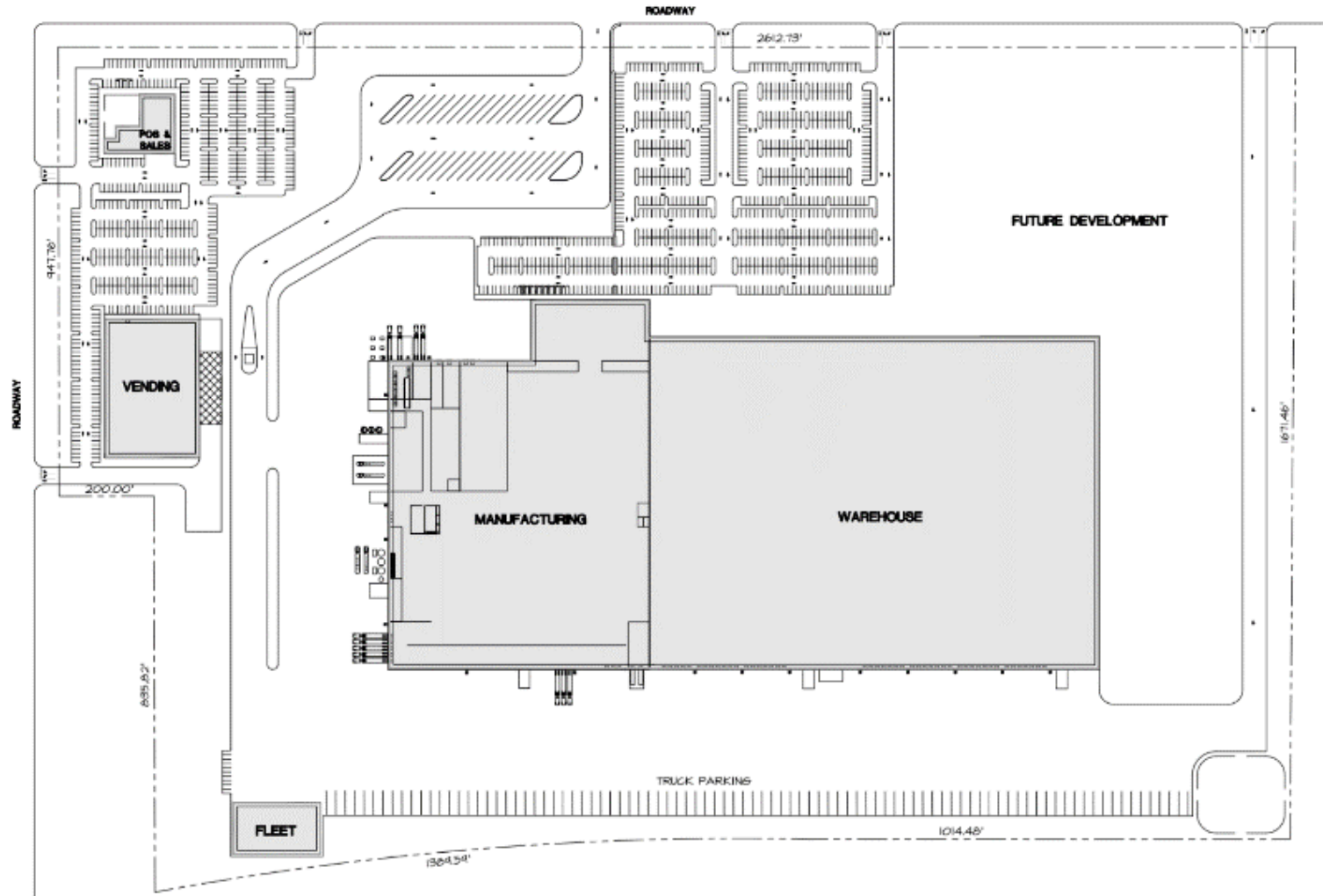
- **Employees:**

- 700 – 900 FTE (*Up to 200 new jobs.*)

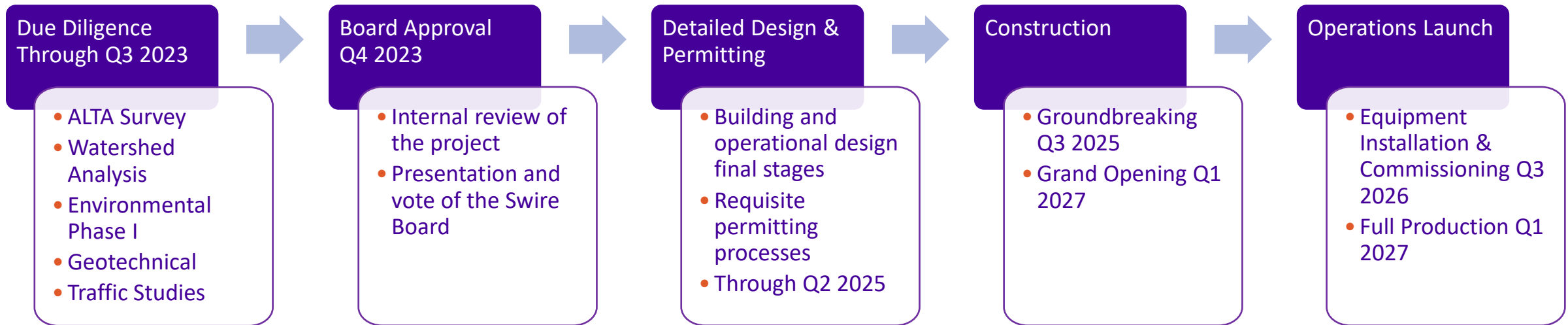
- **Wages:**

- Production Technician – \$21.45-\$38.00/hour*
- All other roles still under evaluation.

**Wage range is based on experience, career-pathing, and qualifications*



PROJECT TIMELINE



Community Engagement Plan

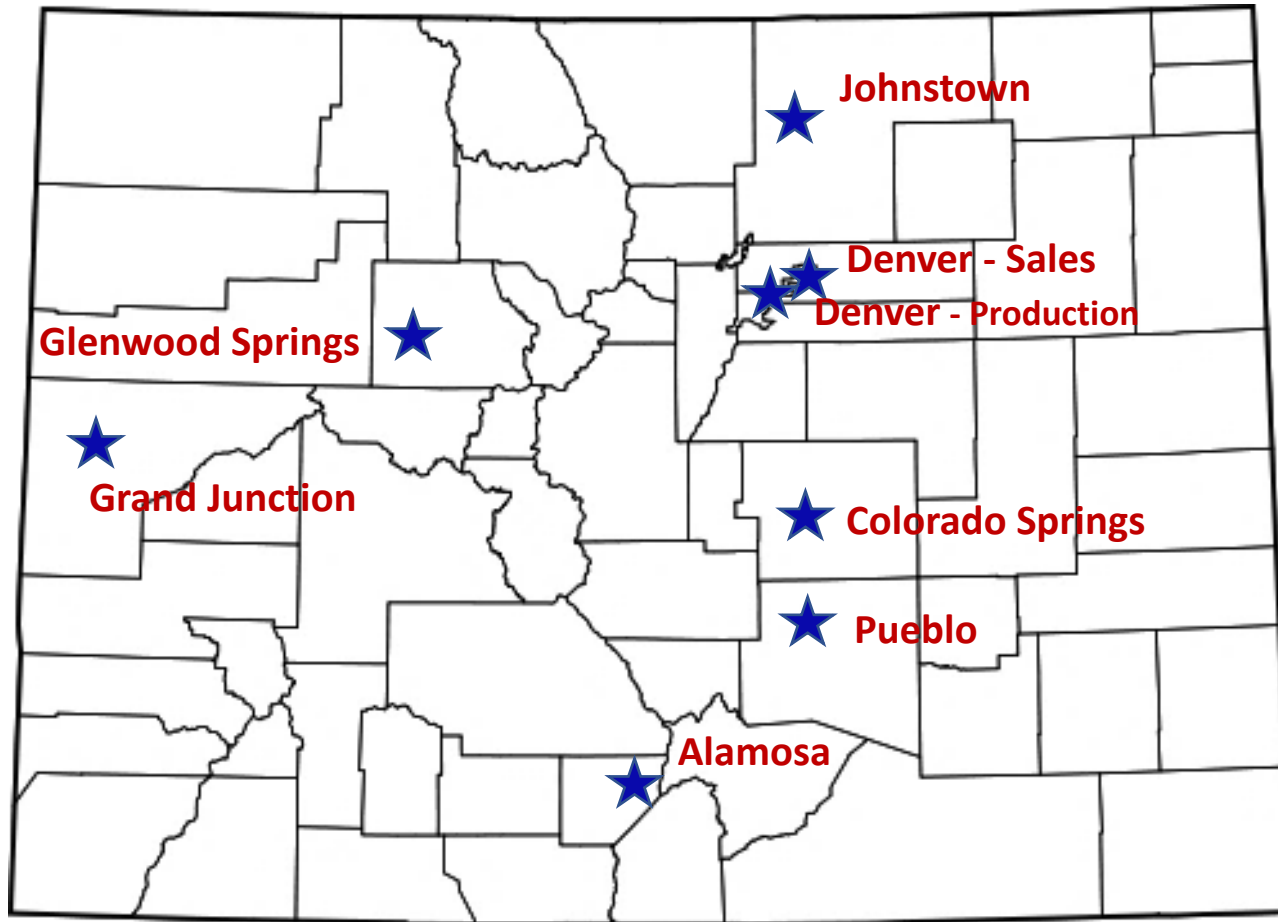


SWIRE COCA-COLA





SWIRE COCA-COLA | COLORADO



1,250 Employees



\$67 million Annual Payroll



8,500 Outlets served



8 Facilities



650+ Different products



- More than 400 unique employee roles to offer professional growth
- Full-time, fully benefited employment
- Employee assistance program, providing mental health assistance, financial education, and other professional support services
- A career path and training to grow professionally
- Community service & engagement opportunities



We care for our People and the people in the communities we operate our business in.

We care for our Planet and we are committed to minimize the impact of our business on the environment.

We take care to ensure our Products meet the needs and expectations of our consumers, customers and partners.

SWIRE COCA-COLA | Community Partners



- The Park People
- High Country Conservation Center
- Latino Community Foundation of Colorado
- Sustainable Neighborhoods Network
- Middle Colorado Watershed Council
- Food Bank of the Rockies
- Richard Lambert Foundation
- Matthew Shepard Foundation
- Women's Foundation of Colorado
- United Service Organization
- Circular Colorado
- Walking Mountains Science Center
- Habitat for Humanity
- Colorado Chamber of Commerce
- Colorado Beverage Association
- Colorado Children's Hospital Foundation
- Keep Colorado Spring Beautiful
- Care and Share Food Bank
- Swim Across America
- Mt. Carmel Veterans Service Center
- A Precious Child
- Make-A-Wish Colorado
- Colorado Restaurant Foundation
- Boys Hope Girls Hope
- Junior Achievement – Rocky Mountain
- Sean Ranch Lough Foundation
- Recycle Colorado
- Special Olympics
- Boys and Girls Club
- Colorado Restaurant Association

SWIRE COCA-COLA | DRIVEN TO SERVE



We care for our People and the people in the communities we operate our business in.



Diversity & Inclusion



Women's Empowerment



Youth Development



Emergency Relief

- Fund DE&I work with the Matthew Shepard Foundation, Latino Community Foundation, Latin American Scholarship Fund, Utah Black Chamber, National Ability Center, and Special Olympics.
- Support Women's Empowerment through the Women's Foundation of Colorado's Women & Girls of Color Initiative and the Colorado Women's Chamber of Commerce.
- Partner with Boys Hope Girls Hope of Colorado, Boys and Girls Clubs, A Precious Child, Junior Achievement, BEN, Western Governors' Foundation and local youth organizations to empower youth to realize their full potential.
- Donated truck loads of water and financial support to the community during the Boulder County Wildfires and COVID pandemic.
- Support veterans through the USO of Colorado & Wyoming and Wounded Warrior Project.

SWIRE COCA-COLA | DRIVEN TO PROTECT



CLIMATE PROTECTION



SUSTAINABLE PACKAGING
& RECOVERY



WATER STEWARDSHIP

COLORADO SPRINGS PLANT OPENING



Q&A



Appendix

WATER STEWARDSHIP



WATERSHED

Source Vulnerability Assessments
Source Water Protection Plans



EFFICIENCIES

Improved efficiency in
manufacturing by 20%

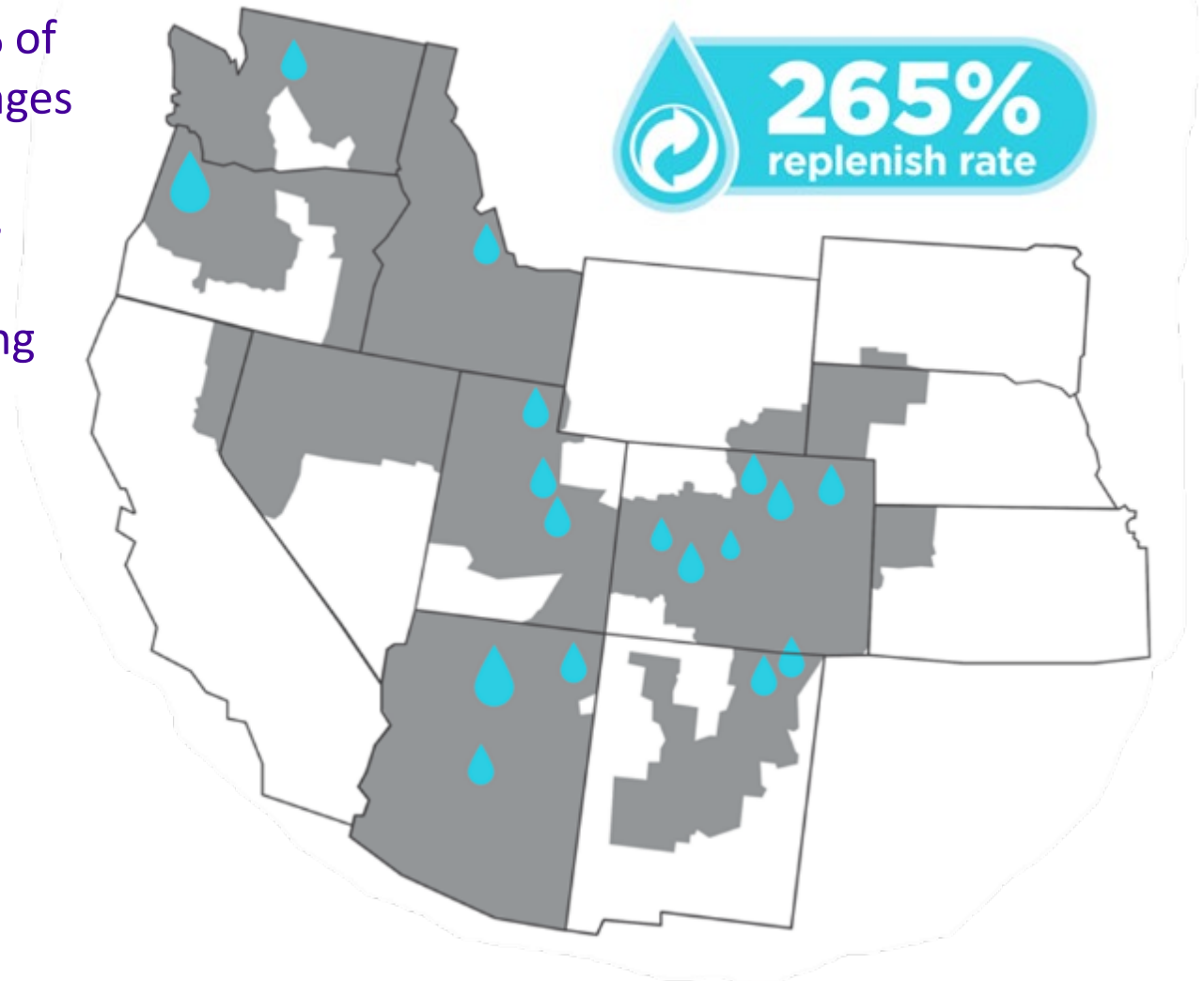


REPLENISH

Return to nature at least 100% of
the water used to produce our
products

WATER REPLENISH PROJECTS

- Last year, Swire Coca-Cola replenished 265% of water used in the production of their beverages
- In partnership with The Coca-Cola Company, Swire Coca-Cola has funded 17 water restoration projects throughout our operating region, including in Washington



WATER STEWARDSHIP



Drought Risk Mitigation



Investments in
Production Plants



Replenish Projects

TAYLOR RIVER, COLORADO



CELEBRATE NATIONAL
PUBLIC LANDS DAY



Sept. 24, 2022, read
more on **B6, B7**

GUNNISON COUNTRY TIMES

\$1.00
Vol. 141, No. 27
Thursday,
September 22,
2022

Trail Creek restoration grabs national attention

Work to continue
in 2023

Bella Biondini
Times Associate Editor

Small streams and pools dotted the restoration site at Trail Creek where human-made beaver dams were installed late last summer. The vegetation was a healthy green and the beavers, who had been

A photograph showing a large group of people, including children and adults, gathered around a small stream in a forested area. Some people are standing on the grassy bank, while others are wading in the water. The scene is set in a lush, green environment with trees in the background.

ADDITIONAL COLORADO PROJECTS



**BONNEVILLE
ENVIRONMENTAL
FOUNDATION**



Trail Creek Restoration:

6.7 million gallons/year

Colorado River Connectivity:

10 million gallons/year

Colorado 15- Mile Reach:

25.7 million gallons/year

Arkansas Mountain Forest:

Estimated 500,000 gallons/year



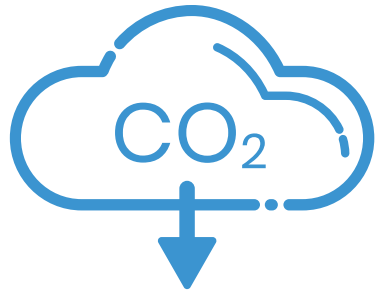
**COLORADO
RIVER
DISTRICT**





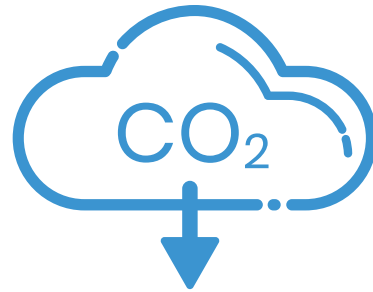
“Over time, working with Swire Coca-Cola, I’ve begun to understand the depth and the breadth of their environmental goals, whether it’s about carbon and renewable energy or whether it’s about water.”

- Todd Reeve, CEO Bonneville Environmental foundation



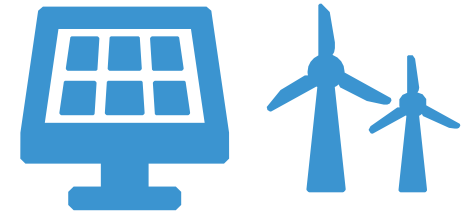
70%

Reduction in
Scope 1 & 2 emissions
by 2030



30%

Reduction in
Scope 1, 2 & 3 emissions
by 2030



100%

Renewable electricity
for core operations
by 2026

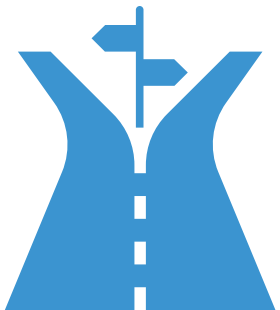




Autonomous Trucking Technology



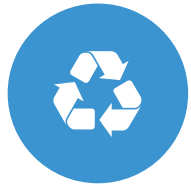
Electric and Hydrogen Electric Solutions



Optimized Delivery Routes

PACKAGING

Make our primary packaging:



100%

Recyclable by 2025

We aim to achieve:



0%

Zero Waste to landfill by 2025

- Swire Coca-Cola's manufacturing plants have a diversion rate greater than 96%
- Denver manufacturing plant has a diversion rate of 97%
- Packaging innovation



PACKING & WASTE DIVERSION PARTNERS



Collaborating with Swire Coca-Cola is a demonstration of the commitment their team brings in moving to a circular economy through their support and participation in our programs, policies, and events.

*Liz Chapman,
Executive Director
Recycle Colorado*



SWIRE EMPLOYEE RESIDENCY DISTRIBUTION

