

HINSDALE COUNTY, COLORADO

BUSINESS PLAN DEVELOPMENT FOR UTE ULAY TOWN/MILL SITE

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PROJECT BACKGROUND, HERITAGE TOURISM AND SITE ANALYSIS



INTRODUCTION AND PURPOSE

POLICIES SUPPORTING PRESERVATION AND USE

This effort to preserve and utilize the Ute Ulay site to generate business activity is grounded in a consistent narrative of several community planning documents and studies. Long standing goals for historic preservation, heritage tourism, cultural tourism and recreation development all converge on Ute Ulay as a unique site for implementing these goals. The following summaries demonstrate the community values and goals supporting and leading to the important efforts to preserve and capitalize on this unique historic site.

Lake City/Hinsdale County Community Plan (2005)

The Lake City and Hinsdale County Community Plan focuses on strengthening the local economy. The plan vision expresses the core values of the city and county:

“We envision the preservation and enhancement of the historic Lake City/Hinsdale mountain community, a place where local officials and citizens work together to protect community character, quality of life and the environment, and to develop a year-round economy, consistent with community values and interests.”

Occupying historic buildings at Ute Ulay with businesses will support preservation, increase visitation, generate revenues and bolster the local economy as called for in goals 3 and 4 of the community plan:

3. Build community with a strong, diversified, year-round economy.
4. Promote historic preservation and economic development that maintains and enhances community character and quality of life.

Outdoor and Creative Market Niche Study (2016)

In the summer of 2016, RPI Consulting completed market niche studies for the creative and outdoor recreation industries in Lake City. Portions of the analysis overlap with an examination of heritage tourism and historic assets in Hinsdale County. The following list highlights opportunities identified in the niche studies that could impact heritage tourism in Hinsdale County or development at the Ute Ulay site.

Creative Opportunities

- Historic Craft Workshops
- Public Art Installations
- Staging Area for Creative Events
- Re-enactment Events

Outdoor Recreation Opportunities

- Expanded Tour Options
- Staging Area for Outdoor Races
- Expanded Mountain Biking
- Trail Promotion and Development
- Expanded Winter Recreation
- Adventure Courses and Activities



Post Disaster Economic Recovery Marketing Plan (2014)

In 2013, the West Fork Complex fire negatively impacted Archuleta, Hinsdale, Mineral, and Rio Grande Counties and the Silver Thread Scenic & Historic Byway. The counties had decreased tourism, business closures and loss of revenues. As part of the recovery process the counties developed a regional marketing plan which stresses the importance of joint marketing and coordination. The plan identifies target markets that Lake City and Hinsdale County should focus on:

- Weekenders
- Baby Boomers
- Heritage Tourist
- Touring Traveler
- Family Vacationers
- Outdoor Enthusiasts (ATVers, Bicyclists, Fly Fishers)
- Skiers, Snowboarders
- Repeat and Generational Visitors
- Emerging Markets
 - Latinos
 - National Park Enthusiasts
 - Organized Tour Groups
 - Online Users

Many of these markets overlap as part of multi-activity leisure trips. Heritage tourism is the primary market for Ute Ulay and can act as a draw for multi-purpose visits. The Economic Recovery Marketing Plan outlines eight goals and strategies for visitor marketing:

- Create quality visitor experiences.
- Improve wayfinding among historic attractions.
- Increase visitor expenditures through longer stays and higher spending (typical characteristics of heritage travelers), not just increased visitation numbers.
- Strengthen relationships with regional and state heritage tourism groups, historical societies, and museum associations.
- Attract travel writers.
- Develop retail products as purchase of goods is a major part of the tourist experience.
- Market via websites developed for local/regional heritage attractions with links to niche market site.
- Determine traveler motivations, expectations, experiences, level of satisfaction, characteristics, and spending.

Hinsdale County “Bottom-up” Economic Development Strategy (2011)

Expanding heritage tourism at Ute Ulay supports goals one and two of the Bottom-up Economic Development Strategy:



1. Support existing businesses through job retention, business expansion, and new business attraction focused on economic diversity.
2. Promote understanding and stewardship of historic assets of Lake City/Hinsdale County.

Ute Ulay is listed as a key historic asset that offers heritage tourism opportunities. Strategies in the “Bottom-Up” plan emphasize historic resources and specifically identified Ute Ulay as a heritage site preservation and activation opportunity:

- Pursue opportunity of transfer of ownership of the 10-acre section of Ute-Ulay heritage site.
- Promote historic preservation as an ethic and economic benefit.
- Support Community Youth Corps in aesthetic improvements.
- Work with volunteers in all area nonprofits (including 2nd homeowners) on the value of historic preservation.
- Position marketing & tourism outreach efforts on heritage resources in combination with outdoor recreational resources.

Proposed Economic Development and Business Retention Report (2016)

This report calls for building tourism infrastructure/amenities, building the community brand, increasing attractions, expanding and improving special events and promoting business opportunities to potential entrepreneurs. Business and heritage tourism development at Ute Ulay supports the goals in this report aimed at retaining and building on the visitor economy.

Hinsdale County Recreation Plan (2016)

The purpose of this plan is to increase recreation opportunities in Hinsdale County for locals and visitors over a 10 year time frame. Ute Ulay is a site where some of the strategies in this plan could be implemented.

- More Festivals/Tours
- Arts & Crafts and Other Fairs
- More Lodging and Food Choices
- Outdoor Education Activities
- Adequate Parking at Trailheads
- Improved Information about Things To Do in Lake City and Surrounding Hinsdale County
- Ute Ulay and Heritage Tourism

Lake City Festival: Feasibility Report and Recommendations (2009)

The Lake City Wine and Music Festival saw a drop in attendance in 2008. This feasibility report provided recommendations aimed at growing the festival and ensuring sustainability. Today, the event is going strong and has weathered many of the challenges it once faced. The Wine and Music Festival provides a case study and lessons learned for any special events.



STATEWIDE HERITAGE TOURISM MARKET

Historic sites are typically visited as part of a larger vacation or trip. They add to the overall attractiveness of a visitor destination, either as a backdrop or by adding another attraction to visit. The Colorado Tourism Office contracts with Longwoods International to conduct annual statewide tourism studies. In addition to quantifying the size and nature of the visitation market, these survey based studies identify what attractions and activities are included in visitor itineraries and rate the importance of various attractions.

There were 31.6 million overnight leisure trips to/within Colorado in 2015 generating \$12.1 billion in direct expenditures.

- 17.1 million marketable leisure trips yielding \$479 per person per trip in expenditures for a total of \$7.7 billion in overnight visitor revenues.
- 14.5 million trips to visit friends and relatives yielding \$303 per person per trip for a total of \$4.4 billion.
- Marketable leisure trip expenditures in 2015 were up 16% over 2014 and trips to visit friends and relatives were up 10%.

In 2015, there were 41.7 million day trips to/within Colorado. With per person per trip expenditures of \$75, day visitors spent an estimated \$3.1 billion in 2015, up 15% from 2014. The number of day trips to/within Colorado has grown consistently since 2008. Two-thirds (66%) of day visitors originated from within Colorado.

Historic places and cultural activities/attractions were identified as the top two interests of overnight visitors in Colorado. Visiting a landmark/historic site and visiting a museum were two of the top activities during overnight leisure trips in Colorado. An estimated 6.3 million overnight trips involved visiting a landmark or historic site and 4.4 million involved visiting a museum in 2015

Figure 1. Specific Interests of Overnight Leisure Trips (2015) - Longwoods International

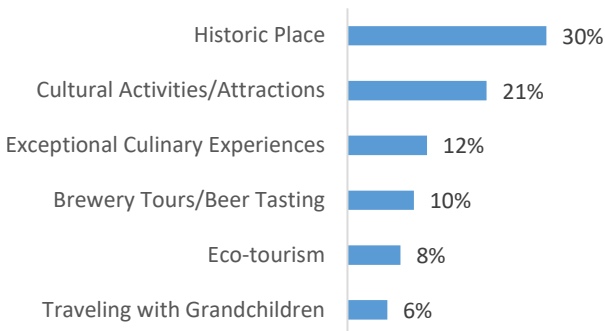
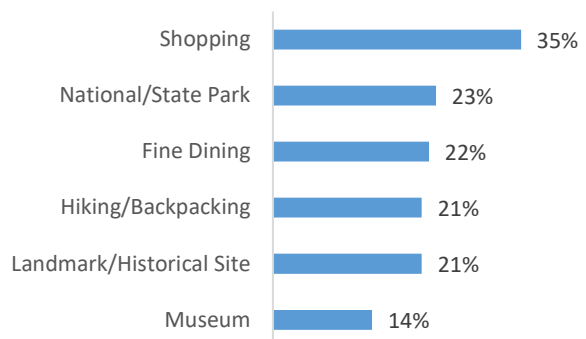
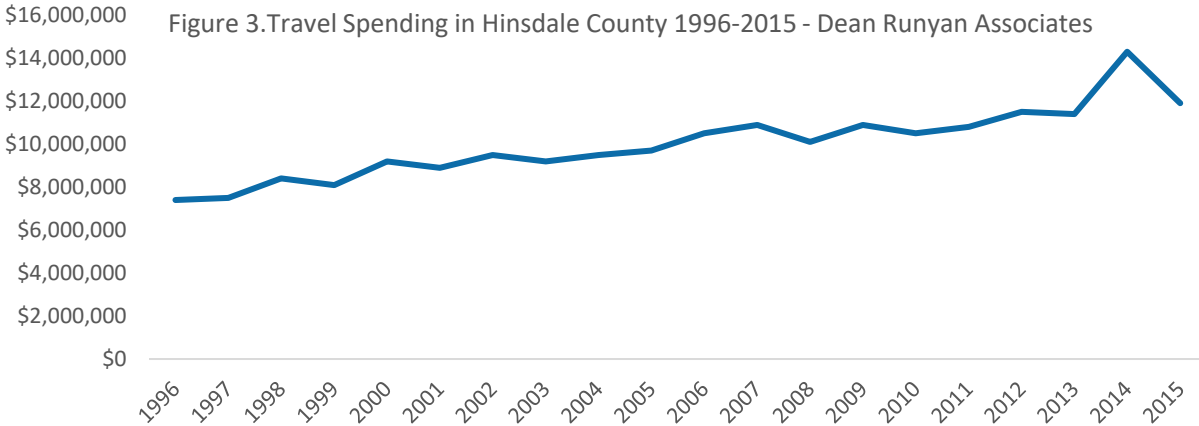


Figure 2. Top Activities on Overnight Leisure Trips (2015) - Longwoods International



HERITAGE TOURISM IN HINSDALE COUNTY

Travel in Hinsdale County generated \$11.9 million in spending and \$7.5 million in earnings in 2015, according to research by Dean Runyan Associates for the Colorado Department of Tourism. Travel spending in the county has steadily increased since 1996, growing at an average annual rate of 3%.



Historic sites in Hinsdale County add significantly to the base of visitor attractions and to the appeal of Lake City as a historic mining town. Heritage sites in Hinsdale County include 11 registered historic sites, four ghost towns, four historic tours and two museums. The Lake City Historic District contains over 200 historic structures including homes, churches, government buildings, and commercial buildings. Additionally, heritage tourism is enhanced by other activities including historic reenactments, historic craft workshops, historic map reproductions, and history related merchandise at local retail outlets. The addition and development of the Ute Ulay site to the County’s roster of historic attractions will enhance the already impressive list of historic assets.

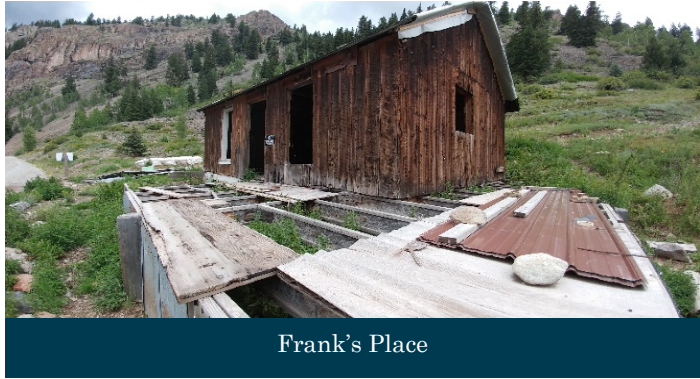
Asset Category	Count	Assets
Registered Historic Sites	11	Argentum Mining Camp, Capitol City Charcoal Kilns, Debs School, Lost Trail Station, Golconda Mine, Empire Chief Mine and Mill, Little Rome, Tellurium White Cross Mining Camp, Rose Lime Kiln, Lake City Historic District, Tobasco Mine and Mill
Ghost Towns	4	Carson, Henson, Old Carson, Capitol City
Historic Tours	4	Lake City Historic Walking Tour, Ghost Tour, Historic Home Tour, Cemetery Tour
Museums	2	Hard Tack Mine Tour and Museum, Hinsdale County Museum
Historic Districts	2	Lake City Historic District , Ute Ulay Historic District (proposed)
Other Historic Assets and Attractions	3	LC Old West Shooters, Historic Map Reproductions at the Artists Collective, Historic Craft Workshops at Hinsdale County Museum



SITE GOALS, OBJECTIVES, CONSTRAINTS, AND INITIAL PROJECT FEASIBILITY ANALYSIS

SITE GOALS AND OBJECTIVES

RPI analysts identified the following goals and objectives for recreational and commercial development at the Ute Ulay site based on a site visit, conversations with local residents and government representatives, and review of past efforts and existing covenants. Proposed commercial or recreational development should strive for consistency with these site goals.



Historic Preservation – As the site owner, the county has a strong desire to preserve this unique site and prevent additional damage to the remaining structures. The site is listed as one of Colorado’s most endangered places and significant efforts that began in 2008 have resulted in stabilization of structures and cleanup and containment of environmental hazards. The process is underway to list Ute Ulay as a Registered National Historic Site. This designation may limit types of development that can occur but would make the site eligible for federal funds. Commercial or recreational development at the site must be consistent with past restoration efforts and ensure the history of the site is preserved.

Private Sector Economic Development – Development of the site should attract additional visitors and increase economic activity in Lake City and Hinsdale County. The county is not interested in operating and running commercial development at the site and instead hopes to use the “concessionaire” model for commercial activities at Ute Ulay. Recreational and commercial development at the site should be driven by and operated by the private sector while the county acts as a limited partner.

Near Term Implementation – The development and restoration process began in 2008 with talks between LKA Gold and Hinsdale County. Since 2008, LKA Gold, Hinsdale County, Lake City DIRT, Colorado Brownfields Foundation, Colorado Art



Ranch, Colorado Department of Public Health, EPA, OSHA, BLM, and DRMS have worked together to prepare the site for public use. With over eight years of site stabilization and environmental remediation work complete, the county would like to see initial activity commence for the 2017 or 2018 visitor season. Initial commercial and recreational development should be implementable in the near term.



Foundry, Machine Shop, Dormitory

Safety and Environmental

Responsibility – Given the inherently dangerous terrain and environmental hazards associated with reclaimed mine sites, safety for workers and visitors to Ute Ulay must be a priority consideration for all recreational and commercial development. Any development of the site is subject to covenants held by the Colorado Department of Public Health and Environment.

SITE CONSTRAINTS

Lack of Readily Available Utilities – Due to the remote location and rugged terrain, construction of water and wastewater infrastructure will be very costly. In the near term, commercial and recreational uses will have to rely on portable toilets and hauled water. Uses that require permanent water and wastewater infrastructure may be appropriate for future development but will not be included in this business plan.

Condition of Structures and Cost of Rehab – A recent report entitled Structure Assessments Ute-Ulay Mine Complex (2016) by Williams Engineering details the current condition of the structures in Ute Ulay. The engineers evaluated each structure on nine points:

- Structural Stability
- Roof Stability
- Roof Membrane
- Roof Structure
- Walls
- Floor Structure
- Foundation
- Exterior Wall Finishes
- Exterior Ground Grading

Each characteristic received a grade: very poor, poor, fair, good, or very good and each structure was also assessed with an overall structural rating. Seven structures received a rating of very poor, two were poor, four were fair, 11 were good, and one was very good.

Based on the structural assessment process, engineers made recommendations for priority structural improvements to prevent deterioration. Even structures such as the mill and the

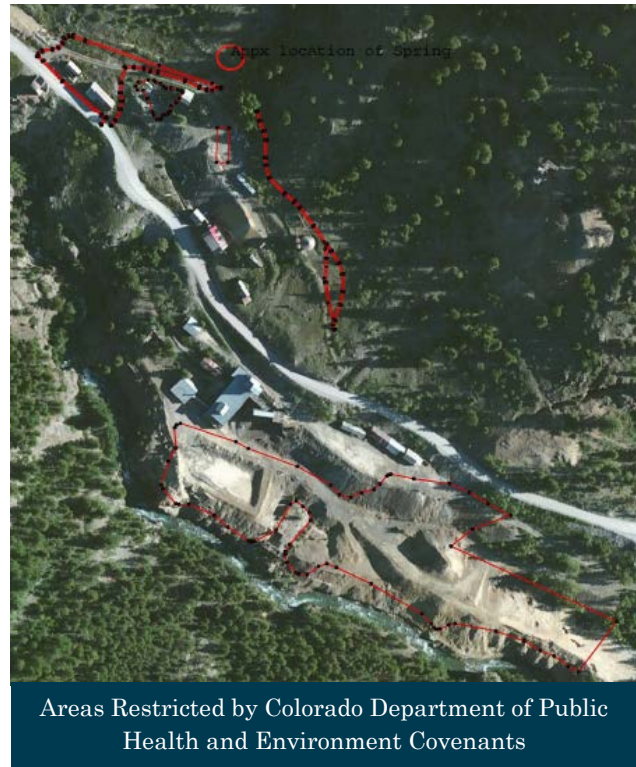


dormitory (that are listed in good condition) will require significant rehabilitation before the general public would be allowed direct access.

In keeping with the goal for near term implementation, commercial and recreational uses proposed in this business plan can occur without significant rehabilitation of structures.

Areas requiring minimal use due to contamination – Environmental covenants held by the Colorado Department of Public Health and Environment restrict use on certain areas of the Ute Ulay site. Construction activities of any kind are prohibited on the primary tailings pile, other rock depositories, surface water run on and run off areas, and control features on the site (areas outlined in red on map).

Parking – The site does not currently have an area that can accommodate a large number of vehicles. The terraced tailings pile is large enough and has areas that are relatively flat, but cannot accommodate vehicle traffic due to restrictive environmental covenants. The use of a shuttle, or development of parking may become necessary for significant



commercial and recreational development at the Ute Ulay site. Initial site analysis suggests that parking is likely limited to 30-35 spaces based on available flat space in front of the foundry machine shop and pullouts along County Road 20.

Lack of Caretaker – Currently the site does not have full time onsite management, leading to vandalism, unintentional damage and the potential for injury to visitors. If development occurs at the Ute Ulay Site, a full-time caretaker is likely necessary. A caretaker could assist visitor to the site, help distribute information about historic preservation, encourage heritage tourism and prevent further damage to the site. In the short term a caretaker will be crucial to protect the exiting assets at the site.

NEED FOR ANCHOR ATTRACTION

Given the remote location of the Ute Ulay site, and the pass thru nature of travel patterns on the Alpine Loop, development that results in real opportunities for entrepreneurs and local business will need to focus on an anchor attraction. An anchor attraction is a facility or attraction that is itself a destination or can alter the travel plans of pass by visitors. An anchor attraction is needed to generate enough site visitation to justify additional



attractions and businesses at the site. The Lake City and Hinsdale County economy is largely driven by outdoor recreation and given the location and setting of Ute Ulay, an anchor attraction has the best chance of success and will appeal to potential concessionaries and entrepreneurs if it's related to outdoor recreation.

PROJECT FEASIBILITY ANALYSIS

Based on the goals, objectives and constraints, RPI analysts propose the following four uses for further consideration and business plan development:

Zipline historic tours (anchor attraction) – As the anchor attraction for this business plan, three options are presented. Dual long racing ziplines, an aerial challenge course or a series of 5-7 ziplines and towers that traverses the entire Ute Ulay site. The aerial attractions would be designed to the historic nature of the site and should include an historic tour element. Conversations with zipline contractors and operators revealed that aerial tours are more successful when marketed to a wide audience and have an educational tour element instead of marketed and designed as an extreme sport, or a destination for adrenaline junkies.

Mobile food services (i.e. food truck or food carts) – Sites for staging mobile food trucks or food carts include: in front of the foundry and machine shop, or along pullouts on County Road 20. Special consideration should be given to existing restaurants operating in Lake City, and the Hard Tack Mine which currently sells limited pre-packaged food.

Spaces/venues for historic craft workshops/demonstrations – The foundry machine shop and dormitory (as titled in the Williams Engineering Report) is the most appropriate location for historic workshop space. This building is in good condition and is the only appropriate structure where the foundation and flooring received a rating of good condition by Williams Engineering.

Event staging area – Event staging at the site is relatively limited due to steep terrain and a lack of parking. Small scale events could be staged around the foundry machine shop and dormitory without additional development of parking or stabilization of the tailings pile. However, the Ute Ulay site could play an important role in a large-scale event that occurs in Hinsdale County. The setting and historic backdrop could serve as a start/finish line, or sponsor and marketing stage with connections to other stages and locations in Hinsdale County or the region as a whole.

ADVANTAGES OF UTE ULAY SITE AND PUBLIC-PRIVATE PARTNERSHIPS

There are two distinct advantages related to county ownership, and public-private partnerships focused on economic development in Hinsdale County. The county should leverage its ownership of the site and the ability to provide rent free or below market rent



to potential entrepreneurs or business owners. Additionally, the county may be able to absorb or defray insurance costs. This model works in Ouray County where the City of Ouray, public and private land owners and a non-profit jointly own and operate the Ouray Ice Park.

MARKET OPPORTUNITIES AND VISITATION

The market for a large scale outdoor recreation facility at the Ute Ulay Site will depend on the visitor/tourist market. The BLM estimates that 600,000 people per year visit the Alpine Loop, with at least half of them visiting the “Gunnison” side of the loop. Historic site visitation rates for different visiting populations from the Colorado Department of Tourism are used to estimate the total potential visitor market for recreation at Ute Ulay. Twenty-one percent (21%) of total overnight leisure visitors to Colorado stop and visit a historic site during the course of their trip. Forty-eight percent (48%) of touring visitors stop at a historic site and 19% of outdoor visitors stop at a historic site during the course of their trip in Colorado. Applying these rates to the 600,000 total Alpine Loop visits shows a total potential market ranging from 57,000 to 288,000 if every potential visitor stopped at the proposed facility. Given that there are numerous historic sites along the Alpine Loop, and in the area, competition from other sites will have a real impact on visitation. Applying low (5%), medium (10%) and high (20%) market capture rates shows visitation between 2,850 and 57,600. Assuming a 12 week season, this translates to between 33 and 686 visitors to the site per day. The following chart summarizes a range of visitation based on BLM estimates and differing market capture rates.

		Total Market	Market Capture (5%)	Market Capture (10%)	Market Capture (20%)
Environmental Assessment Visitor Days	600,000				
% of Total Visitors, Historic Site	21%	126,000	6,300	12,600	25,200
% of Touring Visitors, Historic Site	48%	288,000	14,400	28,800	57,600
% of Outdoors Visitors, Historic Site	19%	114,000	5,700	11,400	22,800
BLM Estimate for Gunnison Side	300,000				
% of Total Visitors, Historic Site	21%	63,000	3,150	6,300	12,600
% of Touring Visitors, Historic Site	48%	144,000	7,200	14,400	28,800
% of Outdoors Visitors, Historic Site	19%	57,000	2,850	5,700	11,400
		Visitor Days	Visitors Per Day (3 Month Season)		
Minimum		2,850	33		
Average		14,667	175		
Median		11,400	136		
Maximum		57,600	686		



PROJECT SPECIFIC BUSINESS PLANS



ZIPLINES AND AERIAL TOUR OPTIONS BUSINESS PLAN

Bonsai Design, LLC. (“Bonsai”) conducted a feasibility study for aerial tours and zipline construction and operation at the Ute Ulay site. The study included interviews and review of topographic maps, satellite images and long-range photos, fall line projections, and a viability assessment of the course locations. Based on initial site analysis Bonsai suggests standalone or a combination of the following aerial tour attractions: Dual Line Zip Racers, Timber Park Challenge Course, Terra Flight Aerial Tour.

Before each of the options is discussed in detail it is important to outline the concerns and constraints that were considered before designing proposed aerial attractions.

ENVIRONMENTAL CONSTRAINTS AND CONCLUSIONS

All products are to be designed with structural poles, so no course trees will be utilized. Installation methods would focus on protecting the surrounding environments and creating minimal impact. An effort would be made to retain as much of the local flora as possible. Only small and low impact access paths would be created where needed to facilitate both construction and subsequent emergency access requirements. Drainage is adequate throughout the property. No standing water or swampy conditions are expected in any of the proposed locations. The proposed products would fit seamlessly within the existing mountain facilities and surrounding locations.

This property contains interesting attributes that lend themselves to the installation of aerial adventure programs. The history of the mining area combined with the landscape can support many learning objectives. These opportunities, coupled with the thrill of participating in an aerial attraction, all lend themselves toward a world-class attraction.

STRUCTURAL AND ENGINEERING CONSTRAINTS AND CONCLUSIONS

Two types of poles would be considered during the initial design phases: steel and wood. The proposed systems have undergone structural review on other projects and Bonsai does not foresee issues with their installation at the Ute Ulay site. Bonsai has a rich history of building world-class Aerial Adventure Elements using both wooden and steel poles as structural components.



ECOLOGICAL CONSTRAINTS AND CONCLUSIONS

Implementing a minimal-impact design and installation within the proposed locations is entirely possible, significantly elevating the adventure possibilities on the property. While some road access does exist on the property, additional access trails are proposed.

Construction access mini-roads could be necessary to gain vehicle access for pole and steel setting. Effort will be made to ensure minimal grading requirements are met. Erosion prevention along all roads should be considered. Utilizing sustainable routing to avoid direct vertical ascending or descending will also mitigate water drainage issues. Design of all termination zones (towers or individual poles) would attempt to create as little ecological impact as possible. Where trees are surrounding installed structural components, all installation methods will focus on site preservation vitality with minimal invasion.

The proposed programs yield an excellent long-term adventure attraction investment while protecting and retaining the natural environment and providing a superb educational platform. Therefore, with proper program layout, the overall environmental conditions of the area should be well protected, yet comfortably support the proposed aerial adventure activities.

PROGRAMMATIC CONCERNS AND CONCLUSIONS

The programs shall be designed specifically to accommodate clients of all ages. Active teaching points will focus on personal challenge, team building, and breaking down mental barriers for all manner of participants. Passive teachable elements include local history, geology, ecology, wildlife identification and historic reference. Platform and deck heights will allow for typical challenge course height exposure and associated feelings of trepidation and excitement. Tentative design ideas for the deck locations could include placement of plaques and pictures which talk about area history, views, etc. Alternatively, inspirational quotes could be strategically placed, giving participants an opportunity for reflection at key locations.

The teachable elements will provide interesting participant learning opportunities. The individually tailored programs will cater to a wide range of participant ages and abilities. In short, the area has the required aesthetics, existing infrastructure, recreation, and human resources to support the custom aerial adventure programs.

ACCESS CONSTRAINTS AND CONCLUSIONS

Multiple access roads exist around the property. But, as noted above, the small nature of the current access mean roads may need some minor adjustments or improvements. All installed programs would be easily accessible to clients using existing routes and additional hiking trails. Some new trail construction may be required for installation, operational and ongoing maintenance access. EMS response could be rural protocol with wilderness



rescue/egress equipment available. Further confirmation/overlap may show this consideration unnecessary. Communication via hand held radios while on site for installation and emergency requirements as necessary. All tour and program installations are planned within the overall property.

Even though the proposed location may require additional trail construction for installation, operations and emergency services on the proposed area; the process is expected to go very smoothly.

PROJECT PRODUCT DESCRIPTIONS

The following elements and course options are conceptual in both scope and placement. They provide a general idea of how final designs would likely lay out. Design and installation of each element can happen individually, or as an incrementally staged effort to complete an overall master plan.

DUAL-LINE RACER ZIP PRODUCT DESCRIPTION

Two separate Dual-Racing zip lines are proposed to provide an aerial view of Ute Ulay Site. Participants and their families will be able to race one another, soaring above the historic mine site. Both zip lines would land and leave from the proposed challenge course location, and both would be accessible via access routes and/or hiking trails.

Target Population – Participants of all ages and their families between 70lbs and 250lbs

Difficulty Level – Easy

Length of Lines – Estimated at 300' and 450'

Tour Length – 30 minutes





TIMBER PARK CHALLENGE COURSE PRODUCT DESCRIPTION

A flow-through challenge course is a tree- or pole-based, interconnected series of elements which offer participants multiple path options of varying difficulty. Typically, for higher throughput, operators choose to have a 'smart-belay' system installed, greatly reducing guide requirements. The course could include rope traverses, adventure bridges, balance walks, swings, and zip lines, laid out so as to provide options and choices that allow participants to adjust the level of physical skill and exertion required to complete the course. Participants will be required to adhere to course weight limits in the typical range of 30 to 280 pounds. The course would begin with a short gear and transfer technique orientation. Then participants would launch onto the course and move at their own pace and chosen difficulty level.



Product Components – 8-10 utility poles, 16-32 elements, single or double level options, smart belay, optional team belay, optional rappel/free-fall descents integrated tree based design

Target Population – Children, families, guests of all ages and ability levels



Difficulty Level – Easy, moderate and hard elements will be available. The primary goal is to ensure at least one “easy route” is available throughout the entire installation.

Tour Length – 30 minutes



TERRA-FLIGHT ZIP TOUR PRODUCT DESCRIPTION

Participants will soar above the area with breathtaking views starting high above Henson Creek eventually crossing the creek twice, once on the Sky-bridge and once from the Dual Line Racer Exit zip line. The Terra-Flight Zip Tour was designed to provide an aerial view of the entirety of Ute Ulay site.

Important Note: The Terra-Flight Zip Tour Option may require cooperation from the BLM, private land owners, or require the county to acquire adjacent land.

Product Components – Mining Themed Finishes, 5 to 7 Zip Lines, Dual 3/8 Jacketed Zip Cable, Steel Pole Construction, Course Exit Rappel (Optional), 2 Short Tour Hikes

Target Population – Participants of all ages and their families between 70lbs and 250lbs

Difficulty Level – Easy – Moderate

Tour Length – 2.5 to 3 hour tour



SITE CONCEPTUAL DESIGNS

The proposed program's intent is to add new and highly sought after outdoor adventures which will complement the existing mountain and historic setting. All development is intended to be designed and installed with minimal environmental impact and blend seamlessly with the incredible natural setting. The natural aesthetics of the courses will augment existing activities and will further both the education and excitement of visitors.

OPTION 1- TWO DUAL LINE ZIPS AND CHALLENGE COURSE

Dual-Line Racer Zip #1 with Tower Landing – A location near the north end of lot 1 was picked for the site of the proposed installation. Ending at the proposed challenge course.

Timber-Park Custom Challenge Course – The location established for this feature consists of a parcel of land located across Hwy 20 from the mining mill.

Dual Line Exit Racer Zip # 2 – Starting from the challenge course and ending across Hwy 20 near Henson Creek.

Preliminary finding for Option #1: The Dual-Line Racers and the Timber-Park Challenge Course will easily and significantly augment the outdoor activity selection for the Ute Ulay site, Lake City and surrounding areas.

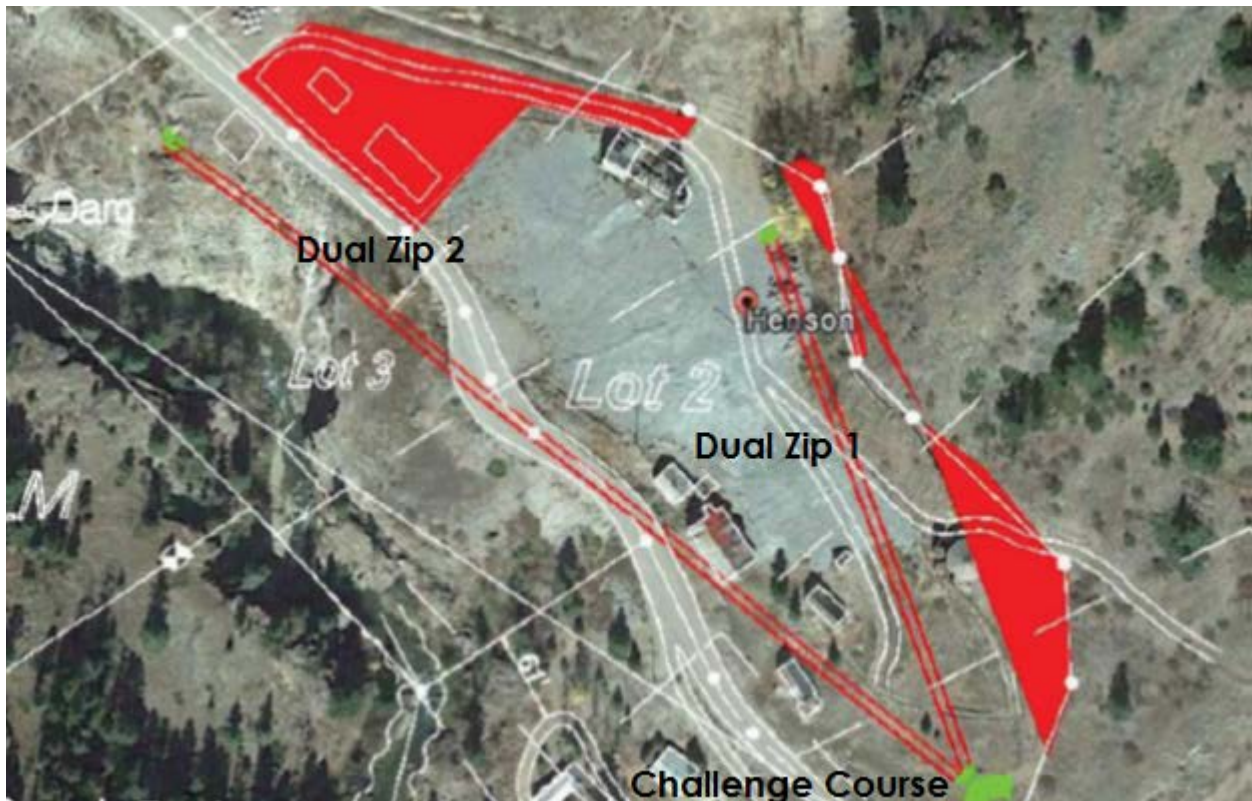
OPTION 2 – TWO DUAL LINE ZIPS

Dual-Line Racer Zip #1 with Tower Landing – A location near the north end of lot 1 was picked for the site of the proposed installation. Ending at the proposed challenge course.

Dual Line Exit Racer Zip # 2 – Starting from the Landing Tower of Zip #1 and ending across Hwy 20 near Henson Creek. The purpose of this layout is to show a lower cost option with similar throughput and a shorter tour timeframe.

The map below shows the options for placing dual ziplines and the challenge course outlined in options 1 and 2.





OPTION 3 - TERRA-FLIGHT ZIP LINE TOUR

A complete aerial tour of the Ute Ulay Mine Site composed of the following: 5 to 7 Zip Lines, Dual 3/8 Jacketed Zip Cable, Steel Pole Construction, Step-up Blocks for participants at Launch, 5 – 7 Steel Platforms, 14 – 21 Ground Anchors (Major Cost Range), Mining and Historic Themed Finishes, Rough Sawn Lumber, Course Exit Rappel (Optional), 2 Short Tour Hikes, 2.5 to 3 Hour Tour. See map on next page for concept layout.





ESTIMATED CAPITAL/CONSTRCUTION COSTS

OPTION 1 – TWO DUAL LINE ZIPS AND CHALLENGE COURSE

Dual Line Racer with Landing Tower

Components: Tower height ranging from 10ft-30ft, 2 dual racing zip lines, 4 class 2 poles for landing tower, 4 SS5 helical anchors, step-up blocks for participants at launch, 2 zip line cables: 1/2 super swaged galvanized steel, 2 brake cables: 3/8 galvanized steel, pressure treated decking

Estimated Component Cost: \$150,000 to \$210,000 + Design and Engineering

Timber-Park Challenge Course Attached to the Dual Line #1 Landing Tower

Components: 8-10 utility poles, 16-32 challenge elements, fabricated steel halo system, single or double level options, optional smart belay, optional smart belay

Estimated Component Cost: \$270,000 - \$320,000 + Design and Engineering



Dual Line #2 Exit Racer to an Elevated Landing Platform: Tower height ranging From 10ft-30ft, road clearance of 20+ft, 2 dual racing zip lines, 4 class 2 poles for landing tower, 4 SS5 helical anchors, step-up blocks for participants at launch, 2 zip line Cables: 1/2 super swaged galvanized steel, 2 brake cables: 3/8 galvanized steel, pressure treated decking

Estimated Component Cost: \$150,000 to \$205,000 + design and engineering

Estimate Project Total Price Range = \$610,000 to \$760,000 (including design and engineering)

OPTION 2: (NO CHALLENGE COURSE OPTION) TWO DUAL LINE RACERS #1 WITH LANDING TOWER

Dual Line Racer with Landing Tower

Components: Tower height ranging from 10ft-30ft, 2 dual racing zip lines, 4 class 2 poles for landing tower, 4 SS5 helical anchors, step-up blocks for participants at launch, 2 zip line cables: 1/2 super swaged galvanized steel, 2 brake cables: 3/8 galvanized steel, pressure treated decking

Estimated Component Cost: \$150,000 to \$210,000 + design and engineering

Dual Line #2 Exit Racer to an Elevated Landing Platform: Tower height ranging from 10ft-30ft, road clearance of 20+ft, 2 dual racing zip lines, 4 class 2 poles for landing tower, 4 SS5 helical anchors, step-up blocks for participants at launch, 2 zip line Cables: 1/2 super swaged galvanized steel, 2 brake cables: 3/8 galvanized steel, pressure treated decking

Estimated Component Cost: \$150,000 to \$205,000 + design and engineering

Estimate Project Total Price Range = \$340,000 to \$470,000

OPTION 3 - TERRA-FLIGHT ZIP LINE TOUR

Components: 5 to 7 zip lines, dual 3/8 jacketed zip cable, steel pole construction, step-up blocks for participants at launch, 5 – 7 steel platforms, 14 – 21 ground anchors (major cost range), mining themed finishes, rough sawn lumber, dual line racer finish, course exit rappel (Optional)

Estimated Component Cost: \$520,000 to \$710,000 + design and engineering

Estimate Project Total Price Range = \$560,000 to \$780,000 (including design and engineering)



AERIAL TOUR COMPONENT CASHFLOW

A cashflow analysis presents gross income based on number of component participants in a given season and compares them with estimated operations costs to calculate the earnings before income and taxes (EBIT). Financing and capital cost components are not included because of the varying strategies used by entrepreneurs to finance startup costs and pay taxes. The following three cashflow analyses present estimates of cashflow for each of the aerial components. The analyses are standalone analyses that can be combined with other components depending on site configuration.

The terra flight component has positive EBIT under all attendance models with year 1 EBIT ranging from over \$146,000 to \$1.3 million. A single standalone zipline with low attendance has an EBIT of \$30,000. However, with high attendance the single zipline could have an EBIT of over \$230,000. The challenge park component has a year 1 EBIT of just below breakeven with low attendance and an EBIT of \$466,000 with high levels of attendance.

It should be noted that all attendance estimates in the cash flow analyses fall within the market ranges presented earlier in the market opportunities and visitation section, (between 2,850 and 57,600).

GROSS INCOME AND OPERATIONS COST ASSUMPTIONS

The cashflow analyses are based on a “thru-put” model that estimates the number of participants that could participate in an aerial component in an hour. High model rates are within total capacity of each of the components and do not assume the attraction functioning at 100% capacity. The following assumptions are made as part of the cash flow analyses.

- 12 week, 84-day peak operational season where each component is staffed to accommodate full operations.
- Year one attendance at 70% of total annual potential attendance with attendance growing by 5% per year
- Operations costs are based on a proprietary dataset of operations costs at other aerial attractions across the country.
- An annual marketing discount rate for some attendees based on giveaways, package deals, coupons etc.
- Additional revenues from retail sales including t-shirts, pictures etc.



	High Attendance	Low Attendance	Medium Attendance
Operational Weeks	12	12	12
Operational Days	84	84	84
Terra Flight Component			
Participants Per Hour	36	12	24
Participants Per Day	288	96	192
Annual Course Participants	24,192	8,064	16,128
Participant Price Point per Product	\$95	\$66	\$81
Zipline Component			
Participants Per Hour	24	6	15
Participants Per Day	192	48	120
Annual Course Participants	16,128	4,032	10,080
Participant Price Point per Product	\$28	\$20	\$24
Challenge Course Component			
Participants Per Hour	32	8	20
Participants Per Day	256	64	160
Annual Course Participants	21,504	5,376	13,440
Participant Price Point per Product	\$38	\$28	\$33

TERRA FLIGHT COMPONENT CASHFLOW ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5
High Attendance Model					
Annual Participants	16,934	17,781	18,670	19,604	20,584
Gross Income	\$1,567,302	\$1,645,667	\$1,727,950	\$1,814,348	\$1,905,065
Operational Costs	-\$184,500	-\$193,725	-\$203,411	-\$213,582	-\$224,261
Earnings Before Interest or Tax	\$1,382,802	\$1,451,942	\$1,524,539	\$1,600,766	\$1,680,804
Low Attendance Model					
Annual Participants	5,645	5,927	6,223	6,535	6,861
Gross Income	\$331,091	\$347,645	\$365,028	\$383,279	\$402,443
Operational Costs	-\$184,500	-\$193,725	-\$203,411	-\$213,582	-\$224,261
Earnings Before Interest or Tax	\$146,591	\$153,920	\$161,616	\$169,697	\$178,182
Medium Attendance Model					
Annual Participants	11,290	11,854	12,447	13,069	13,723
Gross Income	\$867,347	\$910,714	\$956,250	\$1,004,062	\$1,054,265
Operational Costs	-\$184,500	-\$193,725	-\$203,411	-\$213,582	-\$224,261
Earnings Before Interest or Tax	\$682,847	\$716,989	\$752,839	\$790,481	\$830,005



ZIPLINE COMPONENT CASHFLOW ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5
High Attendance Model					
Annual Participants	11,290	11,854	12,447	13,069	13,723
Gross Income	\$274,643	\$295,013	\$309,764	\$325,252	\$341,515
Operational Costs	-\$44,500	-\$46,725	-\$49,061	-\$51,514	-\$54,090
Earnings Before Interest or Tax	\$230,143	\$248,288	\$260,703	\$273,738	\$287,425
Low Attendance Model					
Annual Participants	2,822	2,964	3,112	3,267	3,431
Gross Income	\$14,982	\$16,917	\$17,762	\$18,650	\$19,583
Operational Costs	-\$44,500	-\$46,725	-\$49,061	-\$51,514	-\$54,090
Earnings Before Interest or Tax	-\$29,518	-\$29,808	-\$31,299	-\$32,864	-\$34,507
Medium Attendance Model					
Annual Participants	7,056	7,409	7,779	8,168	8,577
Gross Income	\$127,878	\$137,828	\$144,720	\$151,956	\$159,553
Operational Costs	-\$44,500	-\$46,725	-\$49,061	-\$51,514	-\$54,090
Earnings Before Interest or Tax	\$83,378	\$91,103	\$95,658	\$100,441	\$105,463

CHALLENGE PARK COMPONENT CASH FLOW ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5
High Attendance Model					
Annual Participants	15,053	15,805	16,596	17,425	18,297
Gross Income	\$530,540	\$557,067	\$584,921	\$614,167	\$644,875
Operational Costs	-\$64,500	-\$67,725	-\$71,111	-\$74,667	-\$78,400
Earnings Before Interest or Tax	\$466,040	\$489,342	\$513,810	\$539,500	\$566,475
Low Attendance Model					
Annual Participants	3,763	3,951	4,149	4,356	4,574
Gross Income	\$63,904	\$67,099	\$70,454	\$73,976	\$77,675
Operational Costs	-\$64,500	-\$67,725	-\$71,111	-\$74,667	-\$78,400
Earnings Before Interest or Tax	-\$596	-\$626	-\$658	-\$690	-\$725
Medium Attendance Model					
Annual Participants	9,408	9,878	10,372	10,891	11,435
Gross Income	\$268,998	\$282,448	\$296,570	\$311,399	\$326,969
Operational Costs	-\$64,500	-\$67,725	-\$71,111	-\$74,667	-\$78,400
Earnings Before Interest or Tax	\$204,498	\$214,723	\$225,459	\$236,732	\$248,569



MOBILE FOOD BUSINESS PLAN

CONCEPT

Mobile food trucks, carts and trailers offer a flexible and mobile option for providing food and beverage services to visitors to the Ute Ulay site and the Alpine Loop. Food trucks and carts are a good near term option for providing food services at the Ute Ulay site given the existing lack of infrastructure which prevents the opening of a brick and mortar restaurant. An anchor attraction at the Ute Ulay site will provide a built-in market and opportunity for an entrepreneur to establish a mobile food business.

Advantages of mobile food setup at the Ute Ulay site include:

- Does not require significant onsite infrastructure
- Does not require significant amounts of space and land
- Mobility and ability to adapt to seasonal changes
- Relatively easy startup, could be an extension of existing area restaurants

Mobile Food Trucks, Trailers, and Carts – Mobile food trucks, carts and trailers come in a variety of sizes and with a variety of kitchen options. For small scale operations, a cart or trailer may be adequate, however, if a large volume of food is going to be produced and served, a full-scale truck is necessary.

Small Cart Production – Limited production and storage, best suited for selling pre-produced food, or a single menu item, i.e. hot dogs, ice cream, baked potatoes, etc.

Food Trailer Production – Limited, potential for full kitchen, commercial kitchen/commissary is likely necessary for food preparation, options for an expanded menu and higher production volume.

Food Truck Production – Up to 60 meal per hour, allows for greatest number of menu options, commissary/commercial kitchen may not be necessary.

Menu Concepts - An ideal menu for mobile food at the Ute Ulay site will relate to the history of the site, consist of relatively simple and affordable food (average price point of approx. \$10) and offer something different from dining options in Lake City.

Menu Concepts Include:

- Pasties/meat pies which were a traditional miner's food consisting of a baked pastry typically filled with meat and vegetables
- Italian food relating to the Italian miners that worked and famously went on strike at the Ute Ulay mine
- Baked potatoes with a variety of toppings



Need for Commissary/Commercial Kitchen – Use of a commissary or commercial kitchen is a standard practice for the majority of mobile food businesses and may be necessary for supporting mobile food services at Ute Ulay. In order to provide food services at the site, business owners may need to partner with a local restaurant or use the commercial kitchen in the armory to prepare and store food.

Sensitivity to Existing Local Businesses – Any new food venture at the Ute Ulay Site should consider competition and existing food/beverage activity in the area. Partnerships and cooperation would ensure successful food/beverage service at the Ute Ulay site.



MARKET AND CUSTOMER BASE

There are two primary markets for food service at the Ute Ulay site, visitors to the anchor attraction (in this proposal the historic themed aerial attraction), and visitors to the Alpine Loop.

Alpine Loop Visitation – The BLM estimates that visitation to the Alpine Loop totals between 300,000 and 600,000. It is unknown how many Alpine Loop visitors would stop and eat at the Ute Ulay site, however a small capture rate of 1% would equate to between 3,000 and 6,000 customers per season.

Anchor Attraction Visitation – Based on the models prepared by Bonsai Design and RPI Consulting, an aerial attraction could have annual year 1 visitation between 2,822 and 15,000, depending on size and scale of the attraction and marketing efforts by owners/operators.

Assuming the mobile food trucks are only operational for lunch hours of 11:00-3:00 (50% of estimated aerial attraction hours of operation), potential lunch time visitors to the site totals between 1,400 and 7,500 per season.

STARTUP COSTS

Estimated startup costs including a cart, trailer or truck will range between \$14,500 to over \$100,000. Individual startup costs are primarily dependent on the purchase price of the cart/trailer or truck and will depend on the type of menu, and the cost of new vs used equipment.

	Low	Medium	High
Truck/ Trailer/ Cart	\$10,000	\$50,000	\$100,000
Initial Product Inventory	\$2,000	\$2,000	\$2,000
Equipment (i.e. pots, utensils, etc.)	\$1,000	\$1,500	\$2,000
Marketing/Promotion	\$500	\$1,000	\$1,500
Other Miscellaneous	\$1,000	\$1,000	\$1,000
Total	\$14,500	\$55,500	\$106,500

OPERATIONS AND CASHFLOW

Estimated per season operations costs including fuel, labor, commercial kitchen rent, insurance, food/beverage wholesale costs, repairs, and other costs range between just under \$47,000 to just under \$100,000. Again, these estimates will vary depending on size and scale of the operation, menu design, and relationship with existing restaurants in Lake City.



The cashflow model includes the following assumptions:

Revenue Assumptions:

- \$10 average meal price point
- Food costs at 33% of meal price point

Labor Cost Assumptions:

- \$12/hour wage
- 7 hour work day- including 3-4 hours of prep and cleanup
- 2-4 employees depending on size and scope of mobile food services

	Low	Medium	High
Seasonal Operations Costs			
Commercial Kitchen/Commissary Rent	\$2,000	\$2,000	\$2,000
Labor/Payroll	\$20,160	\$30,240	\$40,320
Fuel	\$400	\$400	\$400
Insurance	\$800	\$1,200	\$2,000
Phone	\$400	\$400	\$400
Repairs	\$800	\$1,600	\$2,000
Other	\$400	\$800	\$1,200
Food/Beverage Costs	\$19,998	\$33,330	\$46,662
Other Supplies Costs (Napkins, Paper, Utensils etc.)	\$2,000	\$3,000	\$4,000
Total Seasonal Costs	\$46,958	\$72,970	\$98,982
Seasonal Meals Sold	6,000	10,000	14,000
Revenues	\$60,000	\$100,000	\$140,000
EBIT	\$13,042	\$27,030	\$41,018
Average Meals Per Day	71	119	167
Average Meals Per Hour	18	30	42

For the low model with operations costs totaling just under \$47,000, a small-scale operation would need to sell 4,700 meals per season to break even before taxes and any potential financing costs. Selling 6000 meals per season or approximately 70 meals per day would yield an EBIT of just over \$13,000. The mid-model, with operations costs of just under \$73,000 breaks even with 7,000 meals per season and has an EBIT of \$27,030 with 10,000 meals or 119 meals per day. Under the high model break even occurs at 10,000 meals and an EBIT of over \$40,000 would occur if 14,000 meals are sold in a season.



ARTS AND CRAFT STUDIO SPACE BUSINESS PLAN

CONCEPT

The creative industry has a strong presence in the Lake City/Hinsdale County economy, and the Ute Ulay site presents an opportunity to expand existing creative industry by offering artists workshop and studio space. A combination of live craft/art demonstrations, retail, classes and instruction would augment the anchor attraction by offering additional activities and educational opportunities to visitors.

Site Location – The foundry machine shop and dormitory (as titled in the Williams Engineering Report) is the most appropriate location for a historic workshop space. This building is in good condition and is the only appropriate structure where the foundation and flooring received a rating of good condition by the Williams Engineering Report. With some restoration of the building, RPI estimates that the building could house 2-3 craft workshops or art studios.

Craft and Art Concepts

Art and craft activity at the site should relate to this historic nature of the site, specific ideas that fit include:

- Blacksmith/metal working
- Woodworking/carving
- Painting/drawing
- Pottery/ceramics
- Leather Working
- Weaving

Space Flexibility – With some restoration and structural work the foundry and dormitory building offers a “blank slate” for establishing permanent artist workspaces or allowing for a rotating schedule that showcases differing artists and crafts throughout the season. The facility is envisioned to support the arts and crafts sector with minimal renovation and operations costs by providing DIY spaces where people can gather to create, invent, and learn. Consultation with artists using the facilities will determine the exact types of equipment needed at the site.



MARKET AND CUSTOMER BASE

Anchor Attraction Visitation – Based on the models prepared by Bonsai Design and RPI Consulting, an aerial attraction could have annual year 1 visitation between 2,822 and 15,000, depending on size and scale of the attraction and marketing efforts by owners/operators.

Lake City's Creative Market Base

Lake City has an existing creative market and connecting the art space at Ute Ulay to the existing market base is important, currently the creative market in Lake City includes the following:

- 19 galleries, art studios and retail stores selling and displaying creative products produced locally and from outside the region including: paintings, jewelry, home goods, potter/ceramics, sculptures, photography, drawings, leather work, glass blowing, printmaking/historic reproductions, textiles/weavings, paper making, screen printing and gems/minerals.
- Seven community organizations focused on supporting area citizens, promoting the arts, working on economic development, venue management, and conservation that impacts the creative market in Lake City.
- Four education venues providing private instruction, art camps, craft workshops and storytelling workshops.
- 48 locally based individuals producing creative goods including paintings, photography, glass, drawings, weavings, jewelry, writing, and ceramics.
- 12 events or series including craft fairs, art shows, film festivals, music festivals, music series, and theatre performances.

STUDIO SPACE OPERATIONAL CONSIDERATIONS

Management – The county will need to work out a number of logistics during the early stages including who will manage/operate the facility/facilities. There are two possible management models: private individual or non-profit. Individuals would operate the space for profit, while a non-profit would require an organization to manage the space.

Rent/Lease Agreement – The county will need to decide what will be available for rent, for how much, length of lease, and maintenance agreements – what will the renter be responsible for, and what will the county maintain?

Equipment and Tools – Will artists be responsible for providing their own equipment and tools, or would some equipment be commonly available? Will the county provide any equipment or will this be the sole responsibility of the individual or non-profit?



County Staff – The county will need to assign a staff person the responsibility of overseeing the management of the Ute Ulay site, the level of involvement from this staff person will vary depending on the number of operations occurring at the site and the type of management agreements. For smooth communication, this staff member will be the primary county contact for any individual/organization operating at the Ute Ulay site.

Insurance – Groups and individuals will need to have adequate insurance to meet the county’s standards.

Marketing – Marketing will be pivotal for success. This includes a regularly updated Facebook page and a well-designed website that tells the story of Ute Ulay, and provides all the necessary information on classes, how to register, how to get to Lake City and Ute Ulay, accommodations and food, and testimonials. Advertising and articles in artist magazines, art forums, and newspapers with large distribution such as the Denver Post.

COSTS AND REVENUE STREAMS

Revenue Streams – Revenue for artists could be generated from two sources: paid classes and workshops, and retail sales of art and craft products. Depending on the type of art/craft, the price of classes and retail products will vary greatly depending on specific costs of materials and required skill level.

Costs – The types of art produced on site and the artist’s existing infrastructure and equipment will determine specific startup and operations costs. Existing artists may be able to set up a temporary space with relatively low costs.

ATLANTA SCHOOL – ATLANTA, IDAHO

The Atlanta School opened in 2014 in the small historic mining town of Atlanta, Idaho, home to only 30 fulltime residents. The Atlanta School is a small school that offers a combination of workshops and residency programs focused on art, architecture and preservation.

Residency Programs – Artists travel to the site and stay in rustic but restored cabins without running water and electricity. During their residencies, artists work in their specific medium, drawing inspiration from the remoteness, natural beauty and historic nature of the area. Additionally, artists are encouraged to participate in historic renovations of structures throughout the town site using salvaged materials and traditional building methods.

Workshops – Each summer the school hosts a series of art related workshops. The workshops include hands on instruction to visitors, past workshop topics include sculpture, photography, writing, and historic preservation.



EVENT STAGING BUSINESS PLAN

EVENT DESCRIPTION AND SCOPE

A large-scale competition that attracts competitors and spectators from all over the US would put Ute Ulay and Lake City on the map. Other locations have proven this can be a very successful economic strategy if done correctly. The Ute Ulay site could be the staging ground for an extreme or endurance competition. Currently, Hinsdale County/Lake City hosts the San Juan Solstice 50 ultra-race. This foot race is long running and successful, and may have the foundational elements for development of a larger series of races or larger single event. Additionally, hosting a large scale event has local momentum, in 2017 the Chamber of Commerce plans on revitalizing Packer Days which, with successful marketing and development, could become a large scale event organized around mining history, local culture, and survival themes.

The following section takes a close look at two very different, large-scale racing events. The Leadville 100 Trail Race (a 100-mile ultramarathon), and Heartland Challenge ATV/SXS (a 10-hour ATV endurance race) are well-known races that attract many competitors and spectators of their respective sports each year.

LEADVILLE 100 TRAIL RACE

The Leadville 100 is one of the best examples of what a large special event can mean economically for a small mountain community. In 1982, the Climax Mine in Leadville closed and over three thousand people lost jobs. In 1983, Kenneth Chlouber and Jim Butera held the first Leadville 100. Chlouber's decision to hold the race was deliberate, he envisioned an event that would bring runners to Leadville, make the place famous, and get outsiders to spend their money in the community. The race was designed to bring outside money into the local economy from the start, unlike many events which start local and slowly grow to attract outsiders. It was so successful that in 1994 they added the Leadville 100 MTB for mountain bikers. Today, the Leadville Race Series has expanded to include a variety of races and training camps for runners and bikers. In 2014, the Leadville Race Series brought in an estimated \$15 million in economic impact for Lake County.

The number of runners has increased over the years, the first year saw 45 runners in 1983, and in 2013 the event accepted 1,200 entries with 946 runners competing. For 32 years, the race was open to anyone who registered and paid the entrance fee. In 2015, Life Time Fitness, which has operated the Leadville Race Series since 2010, switched to a lottery system. If a runner does not gain entry through the lottery they can still qualify through performance or a second lottery by racing in one of three other Leadville Race Series races. The last way to enter is through a donation to Life Time Fitness which guarantees a slot.



It is rare that a racer is alone, typically there are a few people attending the race to support and crew for the runner. The volunteers, runners, spectators, crews and press are in the area for a couple of days at minimum, some come early to train at high elevation. They all eat, sleep, and shop in Leadville.

RACE PRODUCTION AND OPERATION

Event Duration – While the actual Leadville 100 race lasts 30 hours, planning happens all year long and the set up and clean up takes days. Before the race starts the trail is marked, aid stations are set up, and shuttles are lined up to get crews back and forth from aid stations. After the race, volunteers and staff take everything down and clean up all the garbage left behind by runners.

Race Course/Permit – The race director, (previously Chlouber and Marilee Maubin and currently Life Time Fitness), apply for an 850 person permit from the Forest Service for the use of single-track trails and dirt roads for the 50 mile course which runs through 7 Forest Service management compartments. While this particular permit allows a large number of competitors, the permitting process varies greatly from place to place. For example, the BLM permitting process for the Hardrock 100 Trail Run in Silverton, Colorado required the race director to conduct a six month environmental impact study and limits the race to 140 runners.

Local Government Coordination – In addition to the Forest Service, race directors also coordinate with local emergency services, law enforcement, the City of Leadville, and Lake County.

Aid Stations, Crews and Shuttles – For years each runner’s crew would drive to the aid stations and wait for their runner to arrive. As more racers entered the race, the crews multiplied and traffic congestion on the roads became unmanageable. The race added shuttles that transport crews to and from parking lots and aid stations so the roads remain clear for emergency vehicles.

Sponsors – Sponsors have played a primary role in the event since the beginning. Life Time Fitness was a major sponsor for years and purchased the race from Chlouber in 2010. Another sponsor, Blueprint for Athletes, manages the Leadville Race Series Website. Today there are 8 primary sponsors including Life Time Fitness, GU, New Balance, Runners Roost Colorado, Blueprint for Athletes, Colorado Outward Bound School, 2XU, and Sign Language XL.

Volunteers – The Leadville Race Series relies heavily on volunteer support. Volunteers sign up online for three positions, race, medical, and zero race volunteers. Volunteers partake in all stages of the event: set-up, registration, marking the course, manning aid stations, traffic and parking control, tear-down, and trash pickup. As an incentive, volunteer hours give a runner preference in the lottery.



Media – Media coverage includes, video, print, live streaming, Twitter, and radio as well as coverage by sponsor companies.

Legacy Foundation – The Leadville Race Series created the Legacy Foundation in 2002 as a nonprofit that addresses the needs of Leadville and Lake County. The foundation receives a portion of race entry fees and donations from individuals and corporations. The Foundation provides a \$1000 scholarship to every Lake County High School graduate who continues their education.

HEARTLAND CHALLENGE ATV/SXS

Andy and Tracy Kyner of Carlisle, Iowa, started the Heartland Challenge ATV/SXS in 2007. It is an endurance race that lasts 10 hours, with 14 racing classes, all racing at the same time with no breaks. Individuals (one person and one quad) and teams of up to three people compete. Teams can trade out racers, and quads as needed to allow racers to take a break, but only one racer per team is allowed on the track at any time. Kids ages 4-15 have a separate three-hour race. A total of 20 individuals and 58 teams raced in 2016. The various class winners receive a payout from \$500 to \$5,000. Each competing team usually has a crew that helps work on the quads, provide racers with food and beverages, and generally support the racers.

RACE PRODUCTION AND OPERATION

The Kyners are the directors of the Heartland Challenge, but they rely on sponsors to make the event happen. The couple was heavily involved in the industry before they created the Heartland Challenge, (they also put on the Iowa ATV Hare Scramble Series). Their previous involvement in the ATV industry helped them find willing sponsors to host the Heartland Challenge.

Volunteers - The Kyners organize and run the race with the support of a core group of about 20 volunteers and a number of sponsors.

Sponsors – GBC Motorsports, an ATV and UTV tire company that specializes in race tires, acts as the title event sponsor. PowerMadd (a powersports accessories company) has a three year contract to be the presenting sponsor, while Lazer Star Lights is the official lighting sponsor. Other sponsors include Can-Am, Van Wall Powersports, Racer Tech, Graphic Worx, ATV Riders, Glann Innovations, and IATVHSS (Iowa ATV Hare Scramble Series). Sponsors provide discounts on products for racers using their gear, and all early registrations are entered into a drawing for a new set of GBC tires.

Event Duration – The Heartland Challenge lasts three days, with registration and tech inspections on Thursday, smaller UTV races on Friday and the main ATV race on Saturday. Teams often show up a few days early to fish, attend the Iowa State Fair, and prepare to race. Many teams spend up to a week in the area.



Race Course – The track is located on private property owned and managed by the Kyners.

Food and Accommodations – Booths sell food at the race and attendees also frequent local restaurants. Event hosts provide information about local businesses and lodging options.

IMPLEMENTATION OF A LARGE-SCALE EVENT

There are two aspects to organizing and implementing a large-scale event, efforts centered around production of the event and efforts focused on operations at the events. Businesses and individuals planning a large-scale event in Hinsdale County, Lake City or at the Ute Ulay site will need to work with local governments and businesses on operations and production to ensure a successful event.

EVENT PRODUCTIONS

Companies focused on producing and promoting a large-scale event will need to consider the following:

Permitting – Which land agencies are involved and what permits are necessary for the event to occur?

Environment – What are the environmental concerns associated with large scale events in an alpine environment? What actions will minimize environmental impacts?

Athletes/Sponsors – What types of athletes and companies are a good fit for the event, and what resources do the athletes and sponsors require?

Course Design/ Event Staging – What areas are available for staging; how much land does the event require? Where are participants and spectators going to park, watch the event, and prepare for the event?

Marketing/Media – Where and how is the event advertised? How specifically will Lake City, Hinsdale County, and Ute Ulay be promoted?

EVENT OPERATIONS

Companies focused on operations and event logistics will need to consider the following:

Safety – What types of safety equipment are required to ensure athlete and spectator safety? What medical resources will need to be on hand in case of injuries?

Sanitation – How many portable toilets are needed and where will they be located?

Crew Logistics – What resources are required for event crews: lodging, food/beverage, communications, and gear storage?



Fencing/Stages – What are the fencing and stage needs for the event?

Volunteer Coordination – Are volunteers needed? How can volunteers be encouraged to participate?

Food/Merchandise/Concessions – What food/merchandising and other concession facilities are needed or may help the event succeed?

