

9 Hotel Waterpark Resorts Coming to Colorado

Three are under construction, 3 in development and 3 in planning

By Jeff Coy, ISHC, May 10, 2016

Water is a precious resource. We drink it to hydrate our bodies. We irrigate our farms with it to grow food. We run our factories with it. We play in it for recreation. And we develop waterparks to attract tourists and vitalize our economy. In Colorado, where a lot of water originates in high country, there's even a water court and a judge to balance all these demands for water.

Developers have to know a lot about water in order to get a project approved in Colorado. While Colorado may have lagged behind the national boom in indoor waterparks, whitewater river parks and hotel waterpark resorts, suddenly there are 9 projects under construction, in development or being planned.

Here's a brief report on what's coming:

- **Great Wolf Lodge, Colorado Springs, under construction, opening Nov 2016.**
- **Grand Springs Resort & Wild Bear Waterpark, Colorado Springs, under construction, opening May 2017.**
- **Gaylord Rockies Resort, Aurora, under construction, opening Nov 2018.**
- **Indoor Waterpark Resort of the Rockies, Loveland, in development.**
- **US Whitewater Adventure Park, Loveland, in development.**
- **PeliGrande Resort at Lake Water Valley, Windsor, in development.**
- **City of Glenwood Springs, 3 Proposed Whitewater Parks, in planning.**

In July 2015, **Great Wolf Resorts** bought the vacant, unfinished **Renaissance Hotel** for \$18m and came up with plans to spend another \$72m to complete the hotel --- including the addition of an indoor waterpark where the conference center once stood. The hotel, located on I-25 Exit 153 at InterQuest Parkway in north Colorado Springs stood empty and partially finished since 2009, a victim of the Great Recession. The newly rehabbed



Great Wolf Lodge will have 311 rooms, 4 to 5 restaurants, 20,000 sf of meeting space and a 65,000 sf indoor waterpark with a 5-story funnel slide, wave pool, aquatic jungle and tipping bucket. Guests will also enjoy a large family entertainment center (FEC) which includes an arcade, mini-golf, mini-bowling alley, rope-climbing and spa. The new waterpark resort will become part of the InterQuest Marketplace commercial center which includes a 14-screen movie complex, a brewery and a 180-room Drury Inn & Suites. Great Wolf Lodge plans to open in November 2016. For more, visit www.greatwolf.com/colorado-springs.

The developer of a second hotel and waterpark planned for north Colorado Springs expects to break ground any day now. Gary Erickson of Northgate Properties first announced the **Colorado Grand Resort & Hotel** four years ago. He expected to break ground in 2015, but spring rains and heavy frost late in the year foiled his plans. The proposed hotel and waterpark is part of Polaris Pointe, formerly Copper Ridge, a 200-acre retail complex shaping up at I-25 Exit 156 North Gate Boulevard east of the Air Force Academy. Erickson says his plans for Phase 1 call for 165 rooms, a 60,000 sf indoor waterpark and 30,000 sf of meeting space. In Phase 2, he plans to add another 200 rooms. Erickson is the owner of Northgate Properties, 1295 Kelly Johnson Blvd, Suite 230, Colorado Springs CO 80902. Reach him at 719-531-0707 or Gary.Erickson@executive-company.com.

The **Gaylord Rockies Resort in Aurora** is under construction, as of January 2016, with 1,507 guest rooms, a 485,000 sf convention center and an indoor-outdoor waterpark with pool, lazy river, lap pool, family lagoon, waterslide and private cabanas. Previously, Colorado had no large convention hotels. Now the Gaylord Rockies can compete for those meetings and attract an expanding pie of new visitors. Once completed in late 2018, Gaylord Rockies will be the largest combined hotel and convention center in Colorado. Marriott International and Houston-based RIDA Development Corp are the owner-developers of the \$800 million project. The resort is expected to draw 450,000 new visitors annually and contribute \$273 million in new money to the state's economy. Eighty percent of guests are expected to be net new visitors to the state. "Eight banks, led by Wells Fargo, have committed \$500 million in loans to Gaylord Rockies," according to Ira Mitzner, president and CEO of RIDA Development Corp. When complete, the Gaylord Rockies will be one of the largest non-casino hotels in the country. For more, contact Michael Kofsky, DOSM, at 720-452-6900.

Regional Tourism Act Makes Funds Available

Three (3) hotel waterpark projects in Colorado are in development by GO NoCO, pending state grants. When the Regional Tourism Act passed in 2009, it allowed the rebate of state sales tax revenue generated by out-of-state visitors. Go NoCO, which is short for **GO Northern Colorado**, is a 501c3 coalition of 20 representatives of private business and local governments formed to prepare grant applications for tourism projects. Go NoCO is financially backed by Larimer County, City of Loveland, Town of Windsor, Water Valley Land Company of Windsor, McWhinney Real Estate Services Inc

of Loveland, Grand Heritage Hotel Group of Maryland, Spirit Hospitality LLC of Fort Collins and FirstBank.

The GO NoCO coalition, chaired by Patrick Brady, is asking the state Economic Development Commission to grant a \$69.2 million funding gap to offset the cost of building three waterpark projects: The Indoor Waterpark Resort of the Rockies in Loveland, the US Whitewater Adventure Park in Loveland and the PeliGrande Resort at Lake Water Valley in Windsor. These are waterpark projects made possible due to payments by (1) developers, (2) local government incentive packages and (3) the state due to the passing of the Regional Tourism Act. The funds are available using a rebate of state sales taxes paid by out-of-state visitors.

The Hotel Waterpark Resort of the Rockies in Loveland CO. Designed by the creators of Great Wolf Resorts, Resorts Development Group LLC plans a family-friendly hotel with indoor waterpark in Loveland near I-25. Facilities include 330 rooms, 75,000sf indoor waterpark, 55,000sf outdoor waterpark, 20,000sf family entertainment center and 40,000 sf of meeting space. The site is located north of The Ranch Fairgrounds & Budweiser Event Center. Developer is Resort Development Group LLC. The resort expects to attract 307,750 annually, 173,499 of whom are out-of-state visitors. Occupied room nights are estimated to be 87,929 annually at an average room rate of \$288.35. Cost to build is \$110 million. Funding gap is \$26.9 million. This project will move forward only with added funding from the state. For more, developers and investors should contact Marcie Erion at the Loveland Economic Development Department. Phone 970-962-2604 or email Marcie.Erion@cityofloveland.org.

The US Whitewater Adventure Park in Loveland CO. This is a whitewater river park similar to those already existing in Golden, Glenwood Springs, Buena Vista, Lyons, Steamboat Springs and Salida. The 20-acre whitewater adventure park proposed for Loveland caters to 400,000 visitors that participate in paddling sports like kayaking, rafting, canoeing and body-boarding. The park will attract both families and serious athletes hoping to extend their training season. The whitewater park would be designed to Olympic standards. It offers a 2,200-linear foot whitewater channel for kayakers and 900-linear feet of adventure tubing. In addition, there is a lazy river, rock-climbing, ropes, ziplining and canyoneering. The project also includes an 18,200sf hospitality building with retail and conference space. The



park expects to attract 397,920 visitors annually, 41,640 are out-of-state visitors. Occupied room nights are estimated to be 32,925 annually at an average room rate of \$141.45. Cost to build is \$61 million. Funding gap is \$11.9 million. This project will move forward only with added funding from the state. For more, developers and investors should contact Marcie Erion at the Loveland Economic Development Department. Phone 970-962-2604 or email Marcie.Erion@cityofloveland.org.

The **PeliGrande Resort & Conference Center** in Windsor CO. The developer plans to build a 4-star, 300-room resort along with the Boathouse Eatertainment attraction which

includes an upscale restaurant, a museum of vintage boats, amphibious cars and Venetian water taxis. The site is on the shores of Lake Water Valley near New Liberty Road & Marina Drive adjacent to Pelican Lakes Golf Club. Designed by the founder of the Rainforest Café, Windsor gets the country's second Boathouse; the first Boathouse is in Orlando FL and another is under construction at Shanghai Disneyland. In addition, the PeliGrande would include a luxury spa, fitness center, 58,500 sf conference center and the 18-hole Raindance Nation Golf Course to be built and ready by 2018 for the PGA National Championship Tour. The resort expects to attract 145,854 visitors, 99,032 of whom are out-of-state visitors. Occupied room nights are estimated to be 81,030 annually at an average room rate of \$286. Cost to build is \$110 million. Funding gap is \$26.9 million. This project will move forward only with added funding from the state. For more, developers and investors should contact Stacy Johnson at the Windsor Economic Development Department. Phone 970-674-2414 or email sjohnson@windsorgov.com.

GO NoCO says the three waterparks combined will bring in 423,000 visitors from out-of-state, but none of these projects will move forward without funding from the state. The risk is reduced due to the fact that if out-of-state visitors do not materialize and the sales tax revenue is not collected, there is no money to grant GO NoCO to develop these attractions. The Colorado Economic Development Commission is expected to make a decision by November 12, 2016.

The **City of Glenwood Springs CO** is seeking a recreational in-channel diversion (RICD) water right to create three whitewater parks along the Colorado River --- No Name, Horseshoe Bend and Two Rivers Park. The city is negotiating agreements with stakeholders on the proper rate of flow for boating, floating and kayak competitions. The city is seeking the right to modify six rock structures built in the river for recreational purposes that will enhance the local economy. Converting opposers to supporters may take time. And the application may go up to James Boyd, the judge who hears water court cases in Glenwood Springs. For more, contact Mark Hamilton, an attorney representing Glenwood Springs. Dial 970-925-3476 or go to www.hollandandhart.com.

If we missed something or you have a question about economic feasibility, let us know.

Stay positive, work smart and do the right thing!



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