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## RMI2 secures loan from Fort Collins

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With a loan from the city of Fort Collins, the Rocky Mountain Innovation Initiative, or RMI2, will be able to construct a 31,000-square-foot, four-story building to house technology and scientific startup companies.

Now, the startups are housed in three separate buildings in downtown Fort Collins, and a fourth will be leased beginning in July.

“It represents the tripling of the amount of square feet available,” said Josh Birks, economic adviser for the city of Fort Collins. “One of the significant limiting factors to that program so far has been available space.”

The Fort Collins City Council approved a \$5.3 million city loan Tuesday to help fund the \$7.1 million project to develop and construct the building. The city transferred funds from its general fund to the Fort Collins Urban Renewal Authority — which is allowed to retain property taxes above a certain amount within a specific area — to make the loan for the North College urban renewal project.

RMI2’s new building will be on East Vine Drive north of Old Town within the urban renewal area.

“The building wouldn’t happen without (the loan),” said Fort Collins Mayor Doug Hutchinson. “We act as an enabler or catalyst to make those things happen.”

The urban renewal loan includes \$2.8 million in tax increment financing, a public financing method that is used for redevelopment projects.

The remaining cost of the project, or \$1.8 million, will be funded through a new markets tax credit, a national program administered by the Colorado Housing and Finance Authority to help rejuvenate distressed urban areas.

“I was very overwhelmed by how much public support there was for the project,” said Mark Forsyth, chief executive officer of RMI2, adding that about 30 people spoke in support of the project at the City Council meeting. “We very much appreciate the support we got from the city of Fort Collins for making this happen.”

Construction of the new building is slated to begin at the end of this year, with completion in fall 2010.

The new building will provide RMI2 with a permanent location, the ability to house a bioscience wet lab and the capacity to serve a larger number of startup companies, mainly in the clean energy, bioscience and information technology industries, Forsyth said.

“We have roughly 20 companies in the program. We can get two to three times that in the new building,” Forsyth said.

RMI2 is an incubator for startup companies, accelerating the process they have to go through to raise capital and get established. The companies pay a below-market leasing rate that increases each year they are in the program.

RMI2 originally started as the Fort Collins Technology Incubator in 1999 and became regional in 2008 as RMI2. The incubator has helped establish 27 companies.

“The city can act to create a climate where businesses and entrepreneurs can succeed,” Hutchinson said.

“RMI2 is a great example of that philosophy. We’ve enabled something to happen that is going to have very positive economic effects on the city.”