



# COLORADO OUTDOORS PROJECT BRIEF

This work was undertaken by Sarah Kravitz, Sam Masters, and Sophie Starkman on behalf of Colorado Outdoors, LLC and for the CU Boulder Masters of the Environment Capstone Project requirement under the supervision of William Shutkin.

# OVERVIEW

---

## PURPOSE

Colorado Outdoors (CO), a Montrose-based development company is seeking to grow the outdoor recreation economy in Montrose, Colorado with an emphasis on sustainability and social impact by launching the Colorado Outdoors Fund (the Fund).

The project defined the Fund investment thesis and further strategized the Fund's vision for company acquisition and recruitment.

## METHODS

Research methods included conversations with various stakeholders in the investment space including Qualified Opportunity Zone funds, Private Equity firms, Venture Capital firms, the Colorado Office of Economic Development and International Trade, and Impact Investing firms. It also included the use of Pitchbook, a business database, as well as reading articles.

## DELIVERABLES

The main deliverable for this project was a master pitch deck that will be used by the Fund management to attract investors by telling the story of Montrose as an epicenter of sustainable community economic development on Colorado's Western Slope.

Additional deliverables included a report highlighting key lessons learned about launching an impact investing fund, a list of public funding opportunities available to businesses in Montrose, a Private Placement Memorandum preparation document, a marketing handbook, a Fund style guide, and a framework for recruiting businesses focused on corporate and social responsibility (CSR) as well as environment, social, and governance (ESG) initiatives.

## KEY TAKEAWAYS

- 01** Through a triple bottom line approach, impact investing can and should be profitable as well as beneficial to people and the planet.



PEOPLE



PLANET



PROFIT

- 02** Montrose, Colorado, is the gateway to Colorado's Western Slope, and has incredible economic potential that should be leveraged sustainably so that businesses prosper while the community thrives and cares for its local landscape.



# THE VISION

---

The Fund invests in businesses that demonstrate a measurable commitment to environmental sustainability, are outdoor recreation-focused, and advance community economic development (CED). Stable, high-growth assets in conjunction with ESG values yield higher margins.

## Why Montrose?

With one of Colorado's largest and fastest-growing airport, Montrose has established itself as a major destination for outdoor recreation on the Western Slope. Within driving distance is Black Canyon National Park, along with world-class climbing, hiking, skiing, and via ferratas in Ouray and Telluride. The Uncompahgre River runs through campus as well and provides some of the best fly fishing and white water rafting in Colorado. There are wineries and orchards that span the region from Paonia through Montrose and on to Telluride. Trails are maintained regionally and are accessible by foot, horse, dirt bike, ATV, and mountain bike. Not to mention, CO sits at the base of the San Juan mountains, which offer endless adventure during all four seasons. The picture has already been painted. CO has an opportunity to sell it.

Montrose's next opportunity is to focus on rural economic growth. With prime real estate, CO has the potential to grow economic value in the region while ensuring mitigation of gentrification through establishing affordable workforce housing and working with the city to ensure zoning laws are in place that allow locals to continue to afford the cost of living. As CO brings business to Montrose, it has an opportunity to continue to protect the regional watershed, ensure clean energy and green transportation throughout the area, and ensure sustainable practices.

## The Fund Vision

To do this, companies acquired should have ESG business models that embody the future needs of the region through sustainable business practices, majority use of local materials, clean energy initiatives, diversity in job creation, and diversification of community and outdoor recreation businesses. CO is not just creating a manufacturing hub, but it's also reimagining an environment where workers, locals, and visitors alike keep returning to the campus for an experience that embodies the region. CO is the beacon of light that has the potential to showcase how economic growth can happen responsibly and thoughtfully and provide a blueprint for rural towns across the nation to grow their local economy. With considerable evidence that impact and ESG generate profit, CO will be able to embody the three pillars that they exude: People, Planet, and Profit.

The Fund invests in businesses that demonstrate commitment to environmental sustainability, growing the regional outdoor recreation economy, and advancing CED, while ensuring favorable economic returns. The Fund acquires companies that demonstrate great entrepreneurial leadership, show the ability to scale effectively, are positioned to excel in a given market, and possess the potential for clear exit opportunities.

These portfolio companies have ESG initiatives and, if able to relocate, are companies that will bring primary industry jobs to Montrose, allowing Colorado's Western Slope to become a central economic engine for the outdoor recreation economy. While not a requirement, the Fund's priority is companies that will relocate to Montrose to leverage grant opportunities and economic incentives.

CO will continue to help the city of Montrose with ecological restoration and community development projects. The Fund's team has decades of experience recruiting outdoor industry companies to the Montrose campus and intends to actively contribute its expertise in operational management in these investments to maximize long-term performance and value.

# OUTCOMES

---

## INVESTMENT THESIS

Targeting businesses with high-potential, strong growth trajectory, and long-term value creation that are eligible to leverage state and local grant funding opportunities; thereby increasing return on investment while making an impact on the community and environment.

### Return on Investment

Triple bottom line objective of achieving risk-adjusted, long-term capital appreciation through active equity investments in companies focused on reducing environmental impact and promoting social initiatives.



### Industry Expertise

High-potential investments

- Sustainable
- Diverse portfolio
- Long-term value
- Family and community oriented

### Community Economic Development

Strong ties to Colorado's Western Slope community economic development.

- Job creation
- Partnerships with Outdoor Economic Development and International Trade Office (OEDIT)
- Partnership with Montrose Urban Renewal Authority (MURA)
- Water resources conservation

### Outdoor Recreation

Dynamic and compelling billion dollar industry within Colorado.

- 511,000 direct jobs
- \$9.6 billion total outdoor recreation value (\$2.19 billion in Colorado's Western Slope)
- \$5.6 billion in wages and salaries
- 2.5 % share of GDP

---

## COLORADO OUTDOORS PROJECTIONS

Job Growth: 2000+

Workforce Housing: 443 units (minimum)

Total Businesses: approx. 75



**COLORADO OUTDOORS**  
THE FUND