

RESOLUTION APPROVING THE REC CENTER AGREEMENT BY AND BETWEEN CD-ACME, LLC, AND THE TOWN OF CASTLE ROCK REGARDING THE DEVELOPMENT AND CONSTRUCTION OF THE CASTLE ROCK SPORTS CENTER PROJECT

TOWN COUNCIL
JUNE 3, 2025



HISTORICAL

Indoor Facility & Population Data

Rec Center Opening
*One gymnasium and
competitive lap pool
constructed*

Castle Rock: >10,000
Douglas County: 50,000

Rec Center Expansion

Castle Rock: 39,268
Douglas County: 260,870

**Zero additional
gymnasiums or
competitive lap pools
constructed since 1988**

Castle Rock: 71,927
Douglas County: 358,000

1988

1995

2006

2014

2019

2025

Rec Center Expansion

Castle Rock: 11,350
Douglas County: 99,886

MAC Opening
*Zero additional
gymnasiums or
competitive lap pools
constructed since 1988*

Castle Rock: 56,645
Douglas County: 314,250

**Projected early payoff of
COPs for MAC,
saving \$1M in interest**
*Groundbreaking for
proposed sports
development center*

Castle Rock: 87,024
Douglas County: 391,875

One recreation center for every **30,470** residents
in the United States

- Industry standard as reported by the National Recreation and Park Association

WAITLISTED PROGRAM PARTICIPANTS 2021 to 2024

Due to lack of **indoor gym space**



Due to lack of **pool space**



Due to lack of **indoor gym and turf space**



Due to lack of **classroom space**



An average of 41% of potential registrants are placed on a waitlist each year

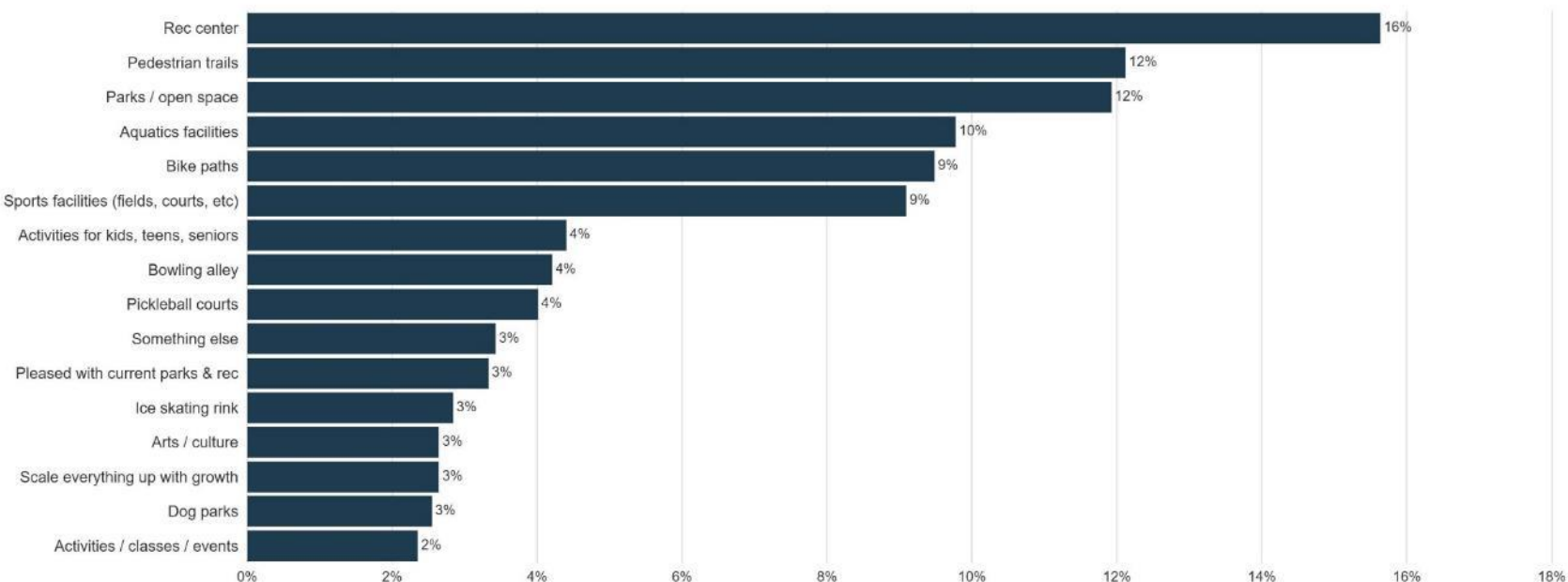
*Waitlist numbers peaked in 2023 and began decreasing with the opening of Cantril School in 2024

Over **11,000 participants** waitlisted since 2021

Missing Parks and Rec Amenities

"Currently, roughly 30 percent of the property within the Town limits is dedicated open space. The Town manages 89 miles of trails, 23 parks, two indoor recreation facilities, two outdoor public pools, a skate park and more.

For this question, think about life in Castle Rock 10-15 years in the future. What additional recreational opportunities would you like to see in the Town?"



W. WOLFENSBERGER RD.

PRAIRIE HAWK DR

THE
BRICKYARD

W. PLUM CREEK PKWY

I-25







KEY PROVISIONS OF THE REC CENTER AGREEMENT

- **Property dedication:** CD-Acme will dedicate land adjacent to the Brickyard community to the Town for the construction of the Rec Center. Dedication timing is to be mutually agreed upon and must be conveyed prior to the closing of the Certificates of Participation funding mechanism.
- **Project scope and design:** The Town's architect Barker Rinker Seacat has designed the Rec Center. The Rec Center will include utilities, infrastructure, landscaping, and parking, and all final construction plans will be developed by the Town's architect and must be approved by the Town. Saunders Construction will serve as the general contractor for the facility development, with CD-Acme managing the construction process based on approved plans and a guaranteed maximum price (GMP) contract with Saunders.

KEY PROVISIONS OF THE REC CENTER AGREEMENT CONTINUED

- **Construction management:** All aspects of the project will be subject to review and approval by Town staff and relevant departments. A dedicated Town Project Manager will coordinate efforts across Town divisions—including Development Services—and will work closely with the project architect, Barker Rinker Seacat, and CD-Acme to ensure alignment with Town standards and expectations. CD-Acme will manage day-to-day construction activities, including:
 - Hiring and supervising the general contractor Saunders Construction
 - Managing subcontractors, consultants, and permitting processes, subject to Town oversight
 - Submitting monthly financial and construction progress reports to the Town
 - Ensuring construction staging does not interfere with Town operations or public safety
 - Publishing formal notice of project completion and delivering final “as-built” plans, manuals, and documentation to the Town for review and acceptance
 - All critical decisions and project milestones will require Town approval to maintain transparency, accountability, and consistency with municipal goals

KEY PROVISIONS OF THE REC CENTER AGREEMENT CONTINUED

- **Timeline:** Construction is targeted to begin around August 2025, with a maximum duration of 25 months. Delays are permitted only under defined “supervening events,” such as extreme weather or regulatory changes.
- **Risk and insurance:** CD-Acme is required to carry general liability, workers’ compensation, and builder’s risk insurance during construction. The Town assumes insurance responsibility upon project completion.
- **Default and termination:** The agreement includes detailed remedies and procedures for default by either party, with options for termination and transfer of all contracts and project data to the Town in such cases.
- **Town responsibilities and financing:** Upon completion, the Town will retain full ownership of the Rec Center and will fund 100% of construction costs, anticipated to be financed via Certificates of Participation. A portion of infrastructure improvements benefiting the Brickyard will be repaid by CD-Acme over time per the financing terms. The Town will be responsible for ongoing maintenance, warranty resolution, and community programming.

BUDGET IMPACT

The budget and financing details for the proposed sports development center will be presented in a preceding agenda item titled Ordinance Concerning the Financing of the Acquisition and Construction of a Recreation Center with Associated Amenities and Supporting Public Improvements, and in Connection Therewith Authorizing the Execution and Delivery by the Town of a Site Lease Agreement, a Lease Purchase Agreement, and Other Documents Related Thereto; and Providing Other Matters Related Thereto. That item will outline the financial framework for the project, including the proposed funding sources and necessary approvals to support the acquisition, construction, and associated public improvements. The current agenda item, focused on the Rec Center Development Agreement, builds upon that financial foundation by setting the terms for the facility's development in coordination with CD-Acme, LLC.

The Town will be financing approximately \$75 million of costs for the construction of the sports development center and associated public infrastructure. In addition, the Town will be foregoing 2.4% of every taxable sale of goods and services within Brickyard through December 31, 2050. However, the Town will be collecting its remaining 1.8% sales tax on such sales, as well as its 6% lodgers' tax on sales of lodging at the hotel.



PROPOSED MOTION

“I move to approve the resolution as introduced by title.”

Alternate motions:

“I move to approve the resolution, with the following conditions:” (list conditions)

“I move to continue this item to the Town Council meeting on [date], at [time].”



THANK YOU
QUESTIONS?