



STAFF REPORT

To: Honorable Mayor and Members of Town Council

From: Town Manager's Office

Title: Discussion/Direction: Parks and Recreation CIP Forecasted Needs

Discussion

Castle Rock Residents place a high value on Town Parks and Recreation Services. The 2017 Castle Rock Community Survey ranked Strong Parks and Recreation Services, at a 7.48, nearly the highest ranking for any Town service. The availability of healthy lifestyle activities was also a key driver and over 90% of residents reported visiting parks and open spaces with an average usage of 30 times per year. Impact fees charged to new residential development ensures that funding for new park and recreation facilities is available so that future residents will enjoy the same quality parks and recreation facilities enjoyed today.

The 2008 and 2015 Parks and Recreation Master Plan established service levels for developed parks and recreation facilities. Levels of service are also reevaluated each time impact fees are studied. Park level of service (LOS) is represented in developed acres per 1,000 residents and recreation facility LOS as square feet per resident. Multiplying the current LOS by the current per acre market driven cost of construction determines the maximum justifiable impact fee, which represents the full cost of incrementally expanding parks and recreation facilities to keep pace with growth.

Looking back over the last 12-year period provides some context when looking to the future. Over the past 12-years, Castle Rock grew by approximately 23,000 residents, which is nearly identical to the growth projected from now to 2030. During that timeframe, the Town added 50 developed acres within four neighborhood and community parks: Matney, Rhyolite, Bison, Wrangler and is beginning the construction of a fifth park in the Meadows Filing 18 neighborhood. In addition, the Town completed 40 developed acres within Philip S. Miller Park and constructed 65,000 square feet of indoor recreation center space at the Miller Activity Complex (MAC) along with major expansion of Festival Park.

In order to keep up with past levels of service, Philip S. Miller Park and Festival Park did receive funding from other sources, such as, Douglas County Shareback and the Town's General Fund and the Town issued Certificates of Participation (COP's) repaid through future impact fees to build the MAC. These funding methods were necessary because past impact fees were set significantly below the supportable fee. Through the current study, the supportable fee, resulting in the full cost of future park and recreation facilities to be paid for by new development is presented for Council consideration. Current

LOS could also be maintained through the use of a combination of impact fees or other tax based funding or future levels of service could be reduced.

The purpose of the information below is to summarize what parks and recreation facilities Town will be able provide by 2030 under the current impact fee or for the fee proposed within the Economic & Planning Systems, Inc. (EPS) study. The EPS study focuses on larger neighborhood, community and regional parks currently provided by the Town of Castle Rock. The study does not focus on pocket parks, which are typically one-acre or less in size. The Town does not provide new pocket parks because they do not support the programmable facilities and associated parking. Developers often provide pocket parks consisting of small lawns and tot lots as part of their amenity package, but they are not required by the Town.

The population of Castle Rock is expected to grow to 8,474 households or 90,000 residents by 2030. The current parks and recreation impact fee of \$3,300 for an average sized home and \$2,480 for a multi-family home will generate \$26.4 million for future capital construction. The current impact fee is about 50% of the supportable fee proposed in the EPS study, which would create a funding gap of \$21.6 million over the next 12 years or about \$1.8 million annually. If Council adopts the impact fee by 2022 of \$6,726.26 for an average sized home and \$3,669.19 for a multi-family home as proposed within the EPS study, about \$48 million will be available to meet growth related demand for parks and recreation facilities. The following scenarios provide a comparison and contrast of the types of facilities that could be funded by both the current and proposed fees through the year 2030 when Castle Rock reaches a population of 90,000 residents.

Scenario #1: No change – maintain existing fee – decreasing level of service over time for parks and indoor recreation facilities

41 developed park acres (\$16,390,835) – one park every three years (3 parks in 10 years)

- Build one phase of a regional park with 20 developed acres
- Serve two neighborhoods with a 10-acre park

21,867 sq.ft of indoor recreation center space (\$7,653,342)

- Construction of a first phase of a small recreation facility to include a gymnasium with a fitness component or a standalone 8 lane 25 yard pool

\$527,817 for maintenance facilities

\$1,319,542 million for outdoor pool construction

\$263,908 for capital equipment to maintain new areas

Scenario #2: Adopt the fees proposed within the EPS Study and maintain current level of service

75.6 developed park acres (\$30,244,855) - one park every other year (5 parks in 10 years)

- Build one new regional park with 35 developed acres / slightly smaller than the developed acres at Philip S. Miller Park

- Ensure all neighborhoods will be served by parks within walking distance by adding four 10-acre neighborhood parks including Castlewood Ranch, Terrain, Cobblestone Ranch, Crystal Valley and the Lanterns.

39,778 sq.ft of indoor recreation center space (\$13,922,235)

- Construct a major first phase of a new recreation center to include a 50-meter competitive pool, with the ability to be converted to two 10 lane 25-yard pools through the use of moveable bulkheads and an additional component, such as fitness. Future phases could include gymnasium, ice and fitness facilities.

\$960,154 for maintenance facility needs

\$2,400,386 million for outdoor pool construction

\$480,077 for capital equipment to maintain new areas