

# Roxborough Village Metro District: Rec Center Task Force

## Meeting Summary



The fifth meeting of the Roxborough Village Rec Center Task Force was held on Thursday, April 22. The agenda focused on financing, and presented scenarios for construction, operations and revenue. The presentation provided to the Task Force at this meeting can be found at [www.roxboroughmetrodistrict.org/rec-center-task-force](http://www.roxboroughmetrodistrict.org/rec-center-task-force). Here is a summary of the meeting:

### **“What will it cost to build?” Construction costs estimate**

At the March 22 Task Force meeting, project architects from Perkins & Will presented an updated conceptual design for a 55,000 s.f. facility. At the April 22 meeting, a construction cost estimate was presented that totaled \$37.38 million to build a facility with that conceptual design, which includes site preparation, all interior and exterior construction and finishes, parking and site landscaping, fixtures and equipment, and other development costs (water tap fees, design and engineering, and contingency dollars to cover unforeseen expenses). Separately, to explore the potential for the rec center to be sustainable and “net zero” in energy generation and consumption, the construction cost estimate also projects a \$1.14 million cost for a rooftop solar power system, or a \$1.62 million cost to combine rooftop solar with a geothermal system to support the building’s heating and cooling requirements.

### **“What will it cost to operate?” Operation costs estimate**

The Task Force also reviewed cost estimates to operate the 55,000 s.f. facility, which totals \$1.9 million annually. The operating cost estimate includes everything from staff wages, insurance, communications, utilities, equipment and repair costs, and other expenses that arise in operating a rec center.

In preparing the operating cost estimate, the facility’s hours of operation were aligned with those of other community and recreation facilities in the region, and not as a 24-hour facility. The operating plan also assumes 2 percent annual growth in operating costs.

### **“What is the revenue potential?” Estimated revenues from membership, program and activity fees**

Prior task force meetings included reviews of the area demographics and potential market demand for a multi-functional recreation center that also features community

meeting and social gathering space, plus the revenue from memberships and fees from area residents who live outside the Metro District. The projections for a 55,000 s.f. facility (with the features of the current conceptual design) come to \$1.876 million in annual revenues from membership fees, activity and program fees, and event rentals. The outlines of the proposed operating plan include free access to Metro District residents for swimming, fitness classes and spinning classes, and reduced in-district rates for fee-based fitness classes, swim lessons and various community programs.

### **“How will we pay for it?” Mill levy scenarios**

The primary source of funding to build the facility would be a mill levy (dedicated property tax), which would require voter approval among Roxborough Village residents. The preliminary calculations for a mill levy to finance the construction comes to a 33.665 mill levy (30-year financing term), which equates to \$998 per year (\$83 per month) for the average-value house in Roxborough Village. In the current modeling on the 55,000 s.f. facility, the facility’s operating cost would be nearly offset by membership, fee and rental revenues—however, the financing of the facility would require voter approval for a second mill levy as a resource to fund any difference between revenues and operating costs.

### **What’s Next**

The feedback from the Task Force was highlighted by an interest in reducing construction costs, seeking out partnerships with area entities that could reduce project and operating costs, and exploring options in facility design and programming to mitigate the potential impacts on the neighbors nearest to the site. The next meeting on May 10 will focus on these recommendations from the Task Force and revisions to the conceptual design, and from there the process moves onto the Metro District board of directors.

For more information, visit the Rec Center Task Force page at [www.roxboroughmetrodistrict.org/rec-center-task-force](http://www.roxboroughmetrodistrict.org/rec-center-task-force). Questions and comments can also be sent to [info@RoxboroughMetroDistrict.org](mailto:info@RoxboroughMetroDistrict.org).