

INTERNAL MEMORANDUM

Date: April 5, 2022
To: SBURA Board
From: Jim Tevlin
Consultant, South Billings Boulevard Urban Renewal District
Subject: Recreation Center Update

The Executive and Core Committees met on March 9 and March 31, 2022.

During these meetings the Committees began to visualize and discuss the recreation center's components (i.e., pool, courts, ice rinks, community room, playroom, fitness center etc.). Preliminary cost estimates of an "all in" recreation center ranged from approximately \$60 - \$70 million. The inclusion or exclusion of certain amenities and the scope of certain primary functions (i.e., size of swimming pools, one rink of ice instead of two etc.) could materially decrease these costs.

One issue of concern is how and when to approach the taxpayers for an operating levy and/or the size of general obligation bonds necessary to bridge the gap between SBURA's bonding capacity (\$38 million) and the facility's total construction cost. It appears there is strong consideration among committee members to combine the recreation center's mill levy and bonding with the City's efforts to restore Parks District 1 funding that will sunset in 2024. The notion behind this is that a larger public referendum will have a wider range of public appeal. Given this, a public vote for funding would not likely occur in calendar year 2022.