

**RESOLUTION NO. 21-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES,  
COLORADO, APPROVING A MEMORANDUM OF UNDERSTANDING REGARDING  
DAWG NATION RECREATIONAL FACILITY BETWEEN THE CITY AND  
DAWG NATION HOCKEY FOUNDATION**

**WHEREAS**, the City of Castle Pines (the “City”) is a municipal corporation authorized to enter into agreements for municipal purposes; and

**WHEREAS**, DAWG Nation Hockey Foundation (“DAWG Nation”) is a 501(c)(3) public charity dedicated to providing opportunities for persons with and without disabilities to gain confidence and independence through participation in national and international amateur ice hockey events, and to supporting local, national, and international amateur ice hockey players and their families in times of crises; and

**WHEREAS**, North Canyons, LLLP, a Colorado limited liability limited partnership (“NCLLLP”), owns real property located along and visible from the east side of I-25 in the City, which property is generally referred to as “The Farm” and legally described as Parcel 2 of The Canyons Superblock Plat No. 2 (the “NCLLLP Property”); and

**WHEREAS**, DAWG Nation desires to construct and operate in the City an approximately 140,500 square foot recreational facility and accessory facilities to accommodate a wide variety of ice sports (the “Facility”); and

**WHEREAS**, DAWG Nation desires to construct and operate the Facility on an approximately twelve (12) acre site located within the NCLLLP Property (the “Project Site”), which Project Site is generally shown on Exhibit B to the Memorandum of Understanding Regarding DAWG Nation Recreational Facility attached to this Resolution as **Exhibit 1** (the “MOU”); and

**WHEREAS**, NCLLLP has acknowledged to the City its intent to dedicate the Project Site to the City in accordance with the Annexation and Development Agreement for The Canyons, dated October 22, 2009, as amended by the First Amendment to Annexation and Development Agreement, dated April 9, 2019, and the Second Amendment to Annexation and Development Agreement, dated January 13, 2020 (the “ADA”) and following DAWG Nation’s completion of fundraising for the first phase of the Facility; and

**WHEREAS**, the City Council finds that the Facility will provide the following benefits to the City (the “City Benefits”): an enhanced quality of life for residents of the City by offering a hub for ice-related sports and recreation at a level that currently does not exist in the City; increased visibility of and positive publicity for the City; a draw for visitors from outside the City with a corresponding positive economic impact within the City due to, among other things, regional events and tournaments planned for the Facility; and job creation for residents of the City across many pay scales, including the youth of the City; and

**WHEREAS**, in light of the City Benefits that will accrue to City residents and the City, the City Council anticipates accepting the Project Site from NCLLLP and providing DAWG

Nation with the long-term use of the Project Site for the construction and operation of the Facility;  
and

**WHEREAS**, the City Council desires to enter into the MOU to memorialize its commitment to cooperating in the construction and operation of the Facility on the Project Site and its understandings as to the obligations and rights of the City and DAWG Nation with respect to the same.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CASTLE PINES, COLORADO, THAT:**

**Section 1.** The City Council hereby: (a) approves the MOU, in substantially the form attached hereto as **Exhibit 1**; (b) authorizes the City Attorney, in consultation with the City Manager, to make non-material changes to the MOU that do not increase the obligations of the City; and (c) authorizes the Mayor to execute the MOU in final form.

**Section 2. Effective Date.** This Resolution shall take effect upon its approval by the City Council.

**INTRODUCED, READ, AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES BY A VOTE OF 6 IN FAVOR AND 0 AGAINST THIS 27th DAY OF JULY, 2021.**

DocuSigned by:  
*Tera Stave Radloff*  
CC4696909F3A463...  
Tera Stave Radloff, Mayor



**ATTEST:**

**APPROVED AS TO FORM:**

DocuSigned by:  
*Tobi Basile*  
358362674C9C43F...  
Tobi Basile, CMC, City Clerk

DocuSigned by:  
*Linda Michow*  
5241DE99B8FF444...  
Linda C. Michow, City Attorney

**EXHIBIT 1**

*[see attached MOU]*

MEMORANDUM OF UNDERSTANDING  
Regarding DAWG Nation Recreational Facility

THIS MEMORANDUM OF UNDERSTANDING REGARDING DAWG NATION RECREATIONAL FACILITY (this “**MOU**”) is made this \_\_\_\_ day of \_\_\_\_\_ 2021 (the “**Effective Date**”), by and between DAWG Nation Hockey Foundation, a Colorado nonprofit corporation (“**DAWG Nation**”), and the CITY OF CASTLE PINES, a Colorado home rule municipal corporation (the “**City**”). DAWG Nation and the City may be individually referred to herein as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, DAWG Nation is a 501(c)(3) public charity dedicated to providing opportunities for persons with and without disabilities to gain confidence and independence through participation in national and international amateur ice hockey events, and to support local, national, and international amateur ice hockey players and their families in times of crises; and

WHEREAS, DAWG Nation desires to construct and operate in the City an approximately 140,500 square foot recreational facility and accessory facilities to accommodate a wide variety of ice sports including ice hockey, sled/adaptive hockey, ice skating, and figure skating, and with the flexibility to undertake additional renovations at a future time to convert at least two of the rinks to accommodate non-ice sports, if desired (the “**Facility**”); and

WHEREAS, DAWG Nation and the City entered into a Letter of Intent, dated August 2, 2019 (the “**LOI**”), under which the City agreed to work towards obtaining a minimum of ten (10) acres for development of the Facility and to cooperate in DAWG Nation’s efforts to design, build, operate, and maintain the Facility; and

WHEREAS, this MOU is in furtherance of the Parties’ commitment in the LOI to negotiate a separate agreement to address reasonable deadlines for commencement and completion of construction of the Facility, requirements for operation of the Facility, the City’s right to ensure the use of the Facility benefits the City and its residents, and other terms and conditions to protect the public interest in the Project Site (defined below); and

WHEREAS, following the Parties’ execution of the LOI, DAWG Nation engaged The Sports Facilities Advisory (SFA) to conduct market research on, assess the feasibility of, and develop a five-year operating plan for, the Facility, which analyses are set forth in the SFA report titled “Dawg Nation Ice Rink – Castle Pines, CO Project Overview” attached hereto as **Exhibit A** (the “**SFA Report**”); and

WHEREAS, the Facility will provide the following benefits to the City (the “**City Benefits**”): an enhanced quality of life for residents of the City by offering a hub for ice-related sports and recreation at a level that currently does not exist in the City; increased visibility of and positive publicity for the City; a draw for visitors from outside the City with a corresponding economic impact within the City due to, among other things, regional events and tournaments

planned for the Facility; and job creation for residents of the City across many pay scales, including the youth of the City; and

WHEREAS, the Facility also will provide an enhanced quality of life and access to equal athletic opportunities for the City's, the region's, and the nation's disabled community, as the Facility is anticipated to be the country's premier disabled sports facility with regard to accessibility and inclusion; and

WHEREAS, DAWG Nation intends to direct net income from the Facility (anticipated by the SFA Report to be nearly \$1,000,000 per year by completion of Phase I and Phase II of construction (which phases are defined in Section 1 below)), together with funds raised through additional fundraising efforts, towards a combination of: (a) financial assistance for amateur hockey players and their families in times of need; (b) a disabled sports growth fund to catalyze participation in ice hockey by disabled persons; (c) catalyzing participation in ice hockey by veterans, both abled and disabled; (d) increasing diversity within the hockey world through intentional programming, recruiting, financial assistance, transportation assistance, and mentoring athletes representing different ethnicities, socioeconomic groups, genders, and disabilities; (e) promoting affordability of youth hockey by creating free "learn to play" programs and providing financial support to families who otherwise would lack financial means to participate; and (f) providing programming to support the mental health of the athletes and families who use the Facility; and

WHEREAS, North Canyons, LLLP, a Colorado limited liability limited partnership ("NCLLLP"), owns real property located along and visible from the east side of I-25 in the City, which property is generally referred to as "The Farm" and legally described as Parcel 2 of The Canyons Superblock Plat No. 2 (the "**Property**"); and

WHEREAS, NCLLLP is contractually obligated to dedicate thirty-five (35) acres of land to the City upon the City's written request and to cooperate in the City's processing of an amendment to The Canyons Planned Development in accordance with the procedures and conditions set forth in the Annexation and Development Agreement for The Canyons, dated October 22, 2009, as amended by the First Amendment to Annexation and Development Agreement, dated April 9, 2019, and the Second Amendment to Annexation and Development Agreement, dated January 13, 2020 (the "**ADA**"); and

WHEREAS, preliminary site work has indicated that approximately twelve (12) acres will be needed for the development of the Facility (the "**Project Site**"), which Project Site is located within the Property and generally shown on **Exhibit B**; and

WHEREAS, NCLLLP has acknowledged to the City its intent to dedicate the Project Site to the City in accordance with the ADA and following DAWG Nation's completion of fundraising for Phase I (defined below); and

WHEREAS, in light of the City Benefits that will accrue to the residents and the City, the City anticipates accepting the Project Site from NCLLLP and providing DAWG Nation with the long-term use of the Project Site for the construction and operation of the Facility; and

WHEREAS, consistent with the LOI, the Parties desire to memorialize in this MOU their continued commitment to the Facility and their current understandings of certain obligations and rights of the Parties with respect to the same.

NOW, THEREFORE, for and in consideration of the covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby mutually agree as follows:

1. **Facility Requirements.** DAWG Nation shall design and construct the Facility to satisfy the following requirements:

- (a) The Facility shall be constructed in no more than three phases as described in this Section 1.
- (b) The first phase of construction (“**Phase I**”) shall include the construction of approximately 93,000 gross interior square feet of the Facility, including:
  - i. The construction of two (2) interior rinks for able bodied and disabled athletes. Both rinks shall include seating to accommodate a minimum of 500 spectators. In order to accommodate the potential future use of the Facility for non-ice sports, one of these rinks shall be designed with flexibility to convert its sand-based substrate to a full concrete substrate. Notwithstanding the foregoing, the Parties expect that conversion would only occur if full-time use of all rinks at the Facility for ice sports proves untenable. DAWG Nation shall be responsible for the cost and expense related to the conversion of the second rink should such conversion prove necessary.
  - ii. The construction of a minimum 2,500 square feet area for one or more third parties under license or sublease from DAWG Nation to operate facilities for abled and disabled athletes to engage in dry-land training for ice-related sports or for general fitness. If, however, DAWG Nation is unable, after using its best efforts, to sublease or license such areas for said training purposes, DAWG Nation shall notify the City in writing of the same and the Parties shall mutually agree to an alternative use of such areas. Any alternative use shall be in furtherance of the City Benefits described in the recitals to this MOU. The City’s agreement to such alternative use shall not be unreasonably withheld.
  - iii. The construction of a full-service restaurant and bar area containing a minimum of 4,000 square feet, of which 1,000 square feet shall be available for outdoor dining. If, however, DAWG Nation is unable, after using its best efforts, to sublease or license such area for restaurant and bar purposes, DAWG Nation shall notify the City in writing of the same and the Parties shall mutually agree to an

alternative use of such area. Any alternative use shall be in furtherance of the City Benefits described in the recitals to this MOU. The City's agreement to such alternative use shall not be unreasonably withheld.

- iv. The construction of a minimum 3,000 square feet area for retail purposes.
- (c) The second phase of construction ("**Phase II**") shall include (if not completed during Phase I) the construction of approximately 47,500 additional gross interior square feet of the Facility (for a total of 140,500 gross interior square feet at the completion of Phase II), including construction of a third interior rink for able bodied and disabled athletes. This rink shall include seating to accommodate the greater of: 2000 spectators or the minimum seating required for the Facility to be eligible to host national and international sled hockey championships.
  - (d) An outdoor rink for able bodied and disabled athletes may be constructed in Phase I or Phase II or during an optional third phase of construction ("**Phase III**"). If DAWG Nation moves forward with an outdoor rink, it will use its best efforts to design and construct the outdoor rink to be convertible to non-ice uses, it being an explicit desire of City Council that the outdoor area of the Project Site be activated for year-round use.
  - (e) The Facility shall be a premier sled hockey facility that is designed and constructed to meet applicable requirements for facilities to be eligible to host U.S. National Sled Hockey Team Tournaments, and to be capable of hosting sled hockey competitions involving the world's premier Paralympic sled hockey players.

**2. Programming Requirements.** In furtherance of the City Benefits, DAWG Nation shall host or cause to be hosted or otherwise provided at the Facility the programs, activities, and benefits to the City generally identified in subsections (a) through (j) of this Section 2. Further details regarding these or other programs, activities, and benefits, and the specific requirements with respect to the same, will be addressed in the Site Lease or M&O Plan (as defined in Sections 4(b) and (f), respectively).

- (a) Public opportunities for skaters of all abilities, including recreational skating, figure skating, and adult and youth ice hockey and sled hockey. The Facility will be open to the general public, though the Facility will charge commercially reasonable (or under-market) entry fees.
- (b) The Facility will serve as the home rink for the future Dawg Nation adult recreational hockey league, which will offer competitive skating opportunities at all levels.
- (c) The Facility will provide recreational opportunities for local youth and adults including open skate and drop-in hockey options.

- (d) Rock Canyon High School and future public high schools located in the City, including the future public high school to be located in The Canyons development, will be given priority over any other schools to use the Facility as the home rink for such schools' ice hockey teams.
- (e) The Facility will be capable of hosting, and DAWG Nation shall use good faith efforts to host, the USA Hockey Youth Championships. This and other events set forth in this Section 2 will create entertainment and tax-revenue-generation opportunities within the boundaries of the City.
- (f) The Facility will host the Annual Dawg Bowl and Survivor Game. The Dawg Bowl is one of the largest adult hockey tournaments in Colorado, historically drawing approximately 4,000 spectators over the multi-day tournament. In 2021, 48 men's and women's teams participated in 7 divisions. The top division included numerous players who had previously played professionally in the National Hockey League. The Dawg Bowl also includes youth and adult sled hockey exhibitions. The Survivor Game is made up of hockey players who have suffered traumatic injury or illness and have come together to share a love of the game and support one another and share their own experiences.
- (g) The Facility will be available to host fantasy camps for youths and adults with former professional hockey players.
- (h) The Facility will provide leadership training through team sports by offering a premier youth hockey program open to both City residents and non-residents. The program will focus on growth, leadership and creating a spirit of giving back to the community.
- (i) Commercial business opportunities will be offered at the Facility, including for one or more restaurant and bar operators, an athletic equipment store, and medical and/or other retail opportunities.
- (j) DAWG Nation agrees to provide discounted rates to City residents. The amount and applicability (e.g., entry, league, event, and/or membership fees, etc.) of such discounts will be addressed in the Site Lease or M&O Plan (as defined in Sections 4(b) and (f), respectively).

**3. Facility Funding, Operation, and Construction.**

- (a) Except for the City's rights and responsibilities set forth in this MOU, DAWG Nation shall be solely responsible for the Facility.
- (b) Without limiting subsection (a) above, DAWG Nation is responsible for all costs and expenses related to designing, planning, permitting, and constructing the Facility as well as operating, maintaining, repairing, replacing, and programming the Facility following completion of construction.



- (c) To raise the necessary funds for the construction of the Facility, DAWG Nation will undertake fundraising and a capital campaign. DAWG Nation will not be permitted to grant a mortgage on its leasehold interest under the Site Lease or otherwise secure financing for the Facility by allowing a lien against the Project Site. DAWG Nation will endeavor, using its best efforts, to meet the fundraising and capital campaign milestones, and to provide the City with written notice and documentation acceptable to the City of the same, by the “finish” dates set forth in the DNHF Master Schedule attached hereto as **Exhibit C** (the “**Master Schedule**”); if DAWG Nation anticipates that it likely will not meet a fundraising or capital campaign milestone, it shall apprise the City of the same as soon as it anticipates missing a milestone so that the Parties can discuss whether a reasonable extension to the subject milestone is appropriate.
- (d) Except for the Comprehensive Plan Amendment and PD Amendment, DAWG Nation shall obtain all entitlements and approvals required to commence and complete construction of the Facility.
- (e) The Facility shall be constructed in compliance with all applicable federal, state, and City laws, rules, and regulations applicable to the Project Site, and in compliance with The Canyons Development Standards set forth in the ADA.
- (f) DAWG Nation will endeavor, using its best efforts, to meet the milestones for preconstruction and construction of the Facility, and to provide the City with written notice of the completion of each milestone by the “finish” dates set forth for such milestone in the Master Schedule. If DAWG Nation anticipates that it likely will not meet a preconstruction or construction milestone it shall apprise the City of the same as soon as it anticipates missing a milestone so that the City is kept informed of the project status.
- (g) DAWG Nation shall provide quarterly reports to City Council on the items set forth in this Section 3, in a form and including such information as are required by City Council and the City Manager; without limiting the foregoing, such reports shall include updates on project costs, funds raised, and status updates regarding entitlements and preconstruction and construction activities. If requested by City Council or the City Manager, such reports shall be provided more frequently than quarterly.

**4. Next Steps: Dedication/Acceptance of Project Site; Site Lease; Comprehensive Plan and PD Amendments; M&O Plan**

- (a) The Parties acknowledge that the Project Site currently is owned by NCLLLP and that the City has requested that NCLLLP dedicate the Project Site to the City per the ADA. NCLLLP has acknowledged to the City its obligation to dedicate the Project Site to the City upon completion of the Comprehensive Plan Amendment and PD Amendment (as defined in (c) below) and following DAWG Nation’s completion of fundraising for Phase I. Following DAWG Nation’s completion of fundraising for Phase I, the City will endeavor to

acquire the Project Site by dedication in accordance with the ADA. The Parties acknowledge and agree that the Project Site will be generally located at the location shown on **Exhibit B**. Following execution of this MOU, the Parties will work cooperatively in negotiating and executing a three-way agreement with NCLLLP on or before the “finish” date set forth on the Master Schedule, under which NCLLLP provides written assurance to the Parties that the Project Site will be dedicated to the City upon DAWG Nation’s completion of fundraising for Phase I.

- (b) Following execution of this MOU, the Parties agree to use reasonable, good faith efforts to negotiate the terms of a site lease or similar agreement (the “**Site Lease**”) on or before the “finish date” set forth the Master Schedule, which Site Lease provides for DAWG Nation’s long-term use of the Project Site for the construction and operation of the Facility at a nominal rental rate. As will be addressed in more detail in the Site Lease, the term of the Site Lease and the rental rate will be based, in part, on DAWG Nation’s ability and commitment to satisfying the requirements set forth in Sections 1 and 2 of this MOU, which requirements are intended to accomplish the City Benefits. In this regard, but without limiting the foregoing, the Parties acknowledge that DAWG Nation’s timely completion of Phase II is a material inducement for the City’s agreement to enter into this MOU and the Site Lease; this said, the Master Schedule anticipates the commencement of construction of Phase I prior to DAWG Nation commencing fundraising for Phase II. As such, to ensure the City obtains the benefit of its bargain, the Site Lease will provide for an escalation of the rental rate for the Facility to market rate and the potential reduction in the term of the Site Lease if DAWG Nation fails to timely complete Phase II. Details regarding these remedies and potential cure rights will be addressed in the Site Lease.

Execution of the Site Lease by the Parties may occur only after NCLLLP’s dedication, and the City’s acceptance, of the Project Site as described in subsection (a) of this Section 4.

- (c) The Parties acknowledge that the Castle Pines Comprehensive Plan currently identifies agricultural production, farm sales, multi-use trails, and equestrian facilities as the appropriate land use mix for the Project Site. Subject to the requirements of the ADA, the City agrees to submit a request to the Planning Commission for the City of Castle Pines (the “**Planning Commission**”) for an amendment to the Castle Pines Comprehensive Plan to allow recreational uses within the Project Site (the “**Comprehensive Plan Amendment**”). The City will endeavor to obtain the Planning Commission’s approval of the Comprehensive Plan Amendment, and the City Council’s ratification of the same, by the “finish” date set forth on the Master Schedule.
- (d) The Parties acknowledge that The Canyons Planned Development, as amended, currently provides that the Project Site is intended to be primarily used for agricultural uses, providing limited park and picnic facilities, drainage facilities,

water and wastewater facilities, trails, and primarily native landscaping. Subject to the requirements of the ADA, the City agrees to submit a request to the Planning Commission and City Council for an amendment to The Canyons Planned Development to allow recreational uses within the Project Site (the "**PD Amendment**") and to seek NCLLLP's cooperation with respect to the PD Amendment in accordance with the ADA. The City will endeavor to obtain the City Council's approval of the PD Amendment by the "finish" date set forth on the Master Schedule.

- (e) Unless otherwise provided in a separate agreement between the Parties and NCLLLP, development permits may be issued and construction of the Facility may commence ("**Commencement of Construction**") only after the Project Site has been dedicated to and accepted by the City and the Parties have executed the Site Lease. Commencement of Construction means grading of the Project Site by DAWG Nation pursuant to a development permit issued by the City. The city shall have the opportunity to review DAWG Nation's contract with the general contractor for the construction of the Facility, and the City shall be named as a third-party beneficiary of any insurance policies required under the same.
- (f) The Parties agree that DAWG Nation will develop, with the participation and subject to the approval of the City, a plan for the management and operations of the Facility (the "**M&O Plan**"). The M&O Plan shall address, without limitation, programming, public use opportunities, benefits to residents of the City, fee schedules, and standards and schedules for maintenance and repair of the Facility. The Parties will use reasonable, good faith efforts to mutually agree to the M&O Plan for Phase I on or before the "finish date" set forth in the Master Schedule. The Parties agree that the M&O Plan will be updated to address Phase II at an appropriate time, as will be set forth in the Site Lease. The City's approval of the M&O Plan shall not be unreasonably withheld provided the M&O Plan is consistent with Section 2 above.

**5. Subject to Future City Approvals.** This MOU shall in no way limit or bind the exercise of the City's discretionary or regulatory authority. Without limiting the foregoing, this MOU is expressly conditioned upon: (i) the City Council's exercise of its discretion related to the acceptance of, and granting rights to use of, the Project Site, and its consideration of planning and land use applications; (ii) the Planning Commission's exercise of its discretion with respect to planning and land use applications; and (iii) the City's regulatory review and approval authority.

**6. Termination of this MOU.** This MOU shall commence on the Effective Date and shall terminate upon the occurrence of any of the following (the "**Term**"):

- (a) The Parties' mutual written agreement to terminate.
- (b) Upon the City's written notice to DAWG Nation of NCLLLP's failure to dedicate, or the City's failure to accept, the Project Site.

- (c) Upon either Party's written notice of termination to the other Party, if the Parties fail after reasonable, good faith efforts to enter into the Site Lease providing for DAWG Nation's long-term use of the Project Site.
- (d) Upon either Party's written notice of termination to the other Party after denial by the City of the Comprehensive Plan Amendment or PD Amendment, or notice from DAWG Nation to the City of DAWG Nation's reasonable determination that the City has failed to approve the Comprehensive Plan Amendment or the PD Amendment on a timeline sufficient to maintain project feasibility.
- (e) Upon either Party's written notice of termination to the other Party, if the Parties fail after reasonable, good faith efforts to mutually agree to the M&O Plan.
- (f) Upon the City's written notice of termination to DAWG Nation, if, prior to the Commencement of Construction, DAWG Nation fails to satisfy a milestone identified in the Master Schedule by the "finish" date for such milestone set forth in the Master Schedule. Prior to providing such notice of termination, the City shall give DAWG Nation written notice of the unsatisfied milestone whereupon DAWG Nation shall have thirty (30) days thereafter (or such later time agreed to by the City) to satisfy the milestone. The Parties acknowledge and agree that the City's remedies in the event DAWG Nation fails to satisfy a milestone following Commencement of Construction will be addressed in the Site Lease.
- (g) Upon either Party's written notice of termination to the other Party, if the noticing Party reasonably determines that the exercise of the City's discretionary or regulatory authority (as described, without limitation, in Section 5 above) makes proceeding with the project infeasible.

In the event of termination of this MOU, each Party shall be responsible for any costs or expenses incurred by it in furtherance of this MOU or related to the Facility. Neither Party shall be responsible for any costs or expenses incurred by the other Party in furtherance of this MOU or related to the Facility.

## 7. Miscellaneous.

**7.1 Non-binding Understandings and Agreement to Cooperate in Good Faith.** This MOU is intended to establish the Parties' mutual understanding of the purpose of, and each Party's role in, the Facility, and is not intended to constitute a legally binding or enforceable agreement or commitment by either Party, except for Section 6 and this Section 7.1 which shall be binding on the Parties in accordance with their terms. Notwithstanding the foregoing, the Parties agree to work diligently and in good faith to perform their respective obligations set forth in this MOU and to resolve any unforeseen issues or disputes as quickly and as possible. DAWG Nation also acknowledges and agrees that the City's willingness to negotiate and execute the Site Lease will be conditioned on DAWG Nation's ability and commitment to satisfying the requirements set forth in

Sections 1 and 2 of this MOU, which requirements are intended to accomplish the City Benefits, and to substantially meeting the capital campaign milestones set forth in the Master Schedule.

**7.2 DAWG Nation Board Meetings.** DAWG Nation will provide the City with at least three (3) days' advanced written notice of, and the opportunity to participate in, DAWG Nation Board of Director meetings discussing the Facility, except that the City shall not be entitled to witness or participate in any executive session or in DAWG Nation's internal discussions relating to DAWG Nation operations or activities unrelated to the Project, nor relating to negotiation of terms relating to agreements with the City or other conversations or discussions that DAWG Nation reasonably determines would impair its rights or bargaining position relative to the City.

**7.3 Governmental Immunity.** Notwithstanding any other provision herein to the contrary, no term or condition of this MOU shall be construed or interpreted as a waiver of the monetary limitations on liability or of any of the immunities, rights, benefits, or protections provided to the City under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as amended (the "CGIA"). DAWG Nation understands and agrees that liability for injuries or damages to persons or property arising out of the alleged negligence or willful and wanton acts of the City, and its respective officials, officers, and employees, is controlled or limited by the CGIA, and nothing herein shall be construed or interpreted as modifying any liability protection thereunder.

**7.4 Assignment.** This MOU is not assignable.

**7.5 Appropriation.** Notwithstanding any provision of this MOU to the contrary, any financial obligation of the City, if any, under this MOU is contingent upon all funds necessary for performance under this MOU being budgeted, appropriated, and otherwise made available and the necessary discretionary actions being taken by the City Council. The Parties acknowledge that this MOU is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

**7.6 Force Majeure and COVID-19.** No Party shall be liable for delay or failure to perform hereunder, despite best efforts to perform, if such delay or failure is the result of force majeure or related to COVID-19. Written notices to the other Party of the occurrence and the end of such delay shall be promptly provided by the Party asserting force majeure or a delay related to COVID-19. Following such written notice, the "finish" date for each project milestone (as shown in the Master Schedule) occurring after such delay shall be automatically revised by the number of days of the delay. "Force majeure" shall mean causes beyond the reasonable control of a Party such as, but not limited to, extreme weather conditions, acts of God or the public enemy, strikes, work stoppages, unavailability of or delay in receiving labor or materials, faults by contractors, subcontractors, utility companies or third parties, pandemics, acts of terrorism, or fire or other casualty.

**7.7 Notice.** All notices or demands desired or required under this MOU shall be deemed given: 1) when personally delivered; or, 2) after the lapse of five (5) days after

mailing by registered or certified mail, postage pre-paid; or, 3) when sent by confirmed electronic mail, although for convenience of the receiving party such confirmed mail shall also be followed by regular mail, postage pre-paid, and addressed as follows:

To the City:           City of Castle Pines  
                              Attn: City Manager  
                              360 Village Square Lane, Suite B  
                              Castle Pines, CO 80108

with a copy to:       City Attorney  
                              City of Castle Pines  
                              c/o Michow Cox & McAskin LLP  
                              6530 S. Yosemite St., Suite 200  
                              Greenwood Village, CO 80112

To DAWG Nation:    DAWG Nation  
                              Attn: Marty Richardson, CEO  
                              10658 West Centennial Road, Suite 200  
                              Littleton, Colorado 80127

or to such other address as each Party may designate by written notice given in accordance with this paragraph.

**7.8    No Joint Venture or Partnership.** Nothing herein shall be interpreted or construed as creating a joint venture or partnership between the Parties. Neither of the Parties shall have the right under this MOU to create any obligation or incur any debt on behalf of the other Party.

**7.9    No Third-Party Benefits Intended.** It is expressly understood and agreed that the enforcement of all terms and conditions of this MOU and all rights and actions relating thereto shall be strictly reserved to the City and DAWG Nation, and nothing herein shall give or allow any claim or right of action to or by any other or third person to this MOU. It is the intention of the City and DAWG Nation that any person other than the City or DAWG Nation receiving services or benefits under this MOU shall be deemed to be an incidental beneficiary only.

**7.10   Examination of Records.** The City's Finance Director or his or her designee shall, until two (2) years after the expiration or earlier termination of this MOU, have access to and the right to examine any of DAWG Nation's pertinent books, papers, documents, or other records involving transactions related to the performance of this MOU. The period of access and examination for records relating to: (1) litigation or settlement of claims arising from the performance of this MOU, or (2) costs and expenses of this MOU to which the City's Finance Director or his or designee has secured access to, shall continue until such appeals, litigation, claims, or exceptions are fully and finally resolved.

**7.11 Paragraph Headings and Grammatical Rules.** The paragraph headings herein are for convenience only and are not intended to govern, limit, or aid in the interpretation of this MOU. In the interpretation of this MOU, any gender includes the other; the singular number includes the plural and vice versa; words used in the present tense include the past and future tense and vice versa, unless manifestly inapplicable; and words shall be construed according to context and the normal use of language.

**7.12 Integration; Amendment.** This MOU, including the Exhibits attached hereto, consists solely of the terms and conditions stated herein, which are intended as a complete integration of all understandings between the Parties concerning the subject matter hereof. No prior or contemporaneous addition or deletion or other document, including the LOI, shall have any force or affect whatsoever unless expressly incorporated herein. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract or written amendment to this MOU executed and approved by both parties.

**7.13 Joint Drafting.** This MOU is the product and result of the joint efforts of the Parties hereto, each of whom had the advice of legal counsel and an equal opportunity to contribute to its content.

**7.14 Non-Waiver.** Waiver of the enforcement of any breach of this MOU by either Party shall not constitute a continuing waiver of any subsequent breach by that Party of the same or any other provision of this MOU.

**7.15 Applicable Law and Venue.** This MOU is made and shall be construed in accordance with the laws of the State of Colorado, without regard to choice of laws principles. The Parties stipulate that the proper venue for any court action that might occur in connection with or as a result of this MOU is Douglas County, Colorado.

**7.16 No Costs or Fees.** In the event of litigation, arbitration, or other dispute resolution process arising out of this MOU, the Parties agree that each Party shall pay its own costs and expenses, including attorneys' fees.

**7.17 Counterparts of this MOU.** This MOU may be executed in two or more counterparts, each of which shall be deemed an original and both or all of which together shall constitute one and the same instrument.

**7.18 Power to Enter MOU.** Each Party warrants that it has the power to enter this MOU and that its signatory is authorized to bind it hereto.

WHEREFORE, each Party affixes its signature as of the above-written date.

**DAWG NATION HOCKEY FOUNDATION**

\_\_\_\_\_  
By: Martin Richardson, CEO & President

**CITY OF CASTLE PINES**

ATTEST:

\_\_\_\_\_  
Tobi Basile, City Clerk

\_\_\_\_\_  
By: Tera Radloff, Mayor

REVIEWED BY:

\_\_\_\_\_  
Linda Michow, City Attorney



**EXHIBIT A**

**SFA Report**

**(Attached.)**



# THE RINK PROJECT

## EXECUTIVE SUMMARY

### RINK FACILITY OVERVIEW

DAWG Nation will design, construct, and operate the nation's first multi-sheet hockey facility which is purpose-built to support both disabled and able-bodied athletes. The facility will be constructed in the City of Castle Pines, just to the East of I-25. The groundbreaking is slated for October of 2020.

- >Prime location provided by City of Castle Pines - I-25 & Castle Pines Parkway
- >The facility will be 100% sustainable from day one of operation
- >DAWG Nations 501(c)(3) status eliminates property taxes
- >Premier facility for sled hockey - Will host National/International competitions
- >Facility will be home to numerous local/regional school & youth hockey programs
- >Rink anticipates generating over \$1M annually for DAWG Nation charitable causes

### OUR SPONSORS

DAWG Nation has partnered with the City of Castle Pines, and some of Colorado's leading companies to make this dream become reality. The following organizations have made significant donations or in-kind pledges which will be instrumental in funding the construction of the facility.



...AND MANY MORE

### SPONSORSHIP OPPORTUNITIES

DAWG Nation has created a number of unique ways for both individuals and businesses to partner and sponsor this great community project. This includes prominent displays, signage, and naming rights in a variety of levels. Corporate Sponsorship opportunities include:

- >PLATINUM - \$10M+ Donations - Facility & Complex Signs & Naming Rights
- >GOLD - \$5M+ Donations - Rink & Arena Signs & Naming Rights
- >SILVER - \$500K+ Donations - Zambonis, Scoreboards, & Locker Rooms
- >BRONZE - \$50K+ Donations - Signs for Event Rooms & Facility Locations

### MORE INFORMATION

For more information on the project, becoming a sponsor organization, or partnering with DAWG Nation to support our mission, please contact the following individuals:

- >CORPORATE SPONSORSHIP - Martin Richardson, CEO - [mrichardson@dawgnation.org](mailto:mrichardson@dawgnation.org)
- >CHARITY & EVENTS - Mike Freeman, Executive Director - [mfreeman@dawgnation.org](mailto:mfreeman@dawgnation.org)
- >MEDIA & PUBLIC RELATIONS - Aaron Alwell, CMO - [aalwell@dawgnation.org](mailto:aalwell@dawgnation.org)

### RINK CAPITAL BOARD

The DAWG Nation rink capital campaign board has been assembled to be a unique blend of business owners, community leaders, influencers, and subject matter experts. This outstanding group ensures we can manage the viability and success of this amazing project.

#### BOARD MEMBERS

- Greg Ahbe**  
The Ahbe Group
- Beth Bowlen**  
The Denver Broncos
- Brooke Cedars**  
Aces Hockey Academy
- Jerry DeVaul**  
Warrior Avalanche Sled Hockey
- George Gwozdecky**  
Valor Christian Varsity Hockey
- Jan Hejda**  
Avalanche Alumni
- Karin Kukral**  
Northwood Investors
- Jack Mousseau**  
MOA Architecture
- Jim Mundle**  
Overdrive Raceway
- Josh Suter**  
Vukota Capital
- Michael Vickers**  
Compark

#### BOARD ADVISORS

- Aaron Alwell - Marketing**  
DAWG / The Limitless Group
- Bill Bierly - Legal**  
DAWG / Liberty Global
- Erik Estrada - Legal**  
Liberty Global



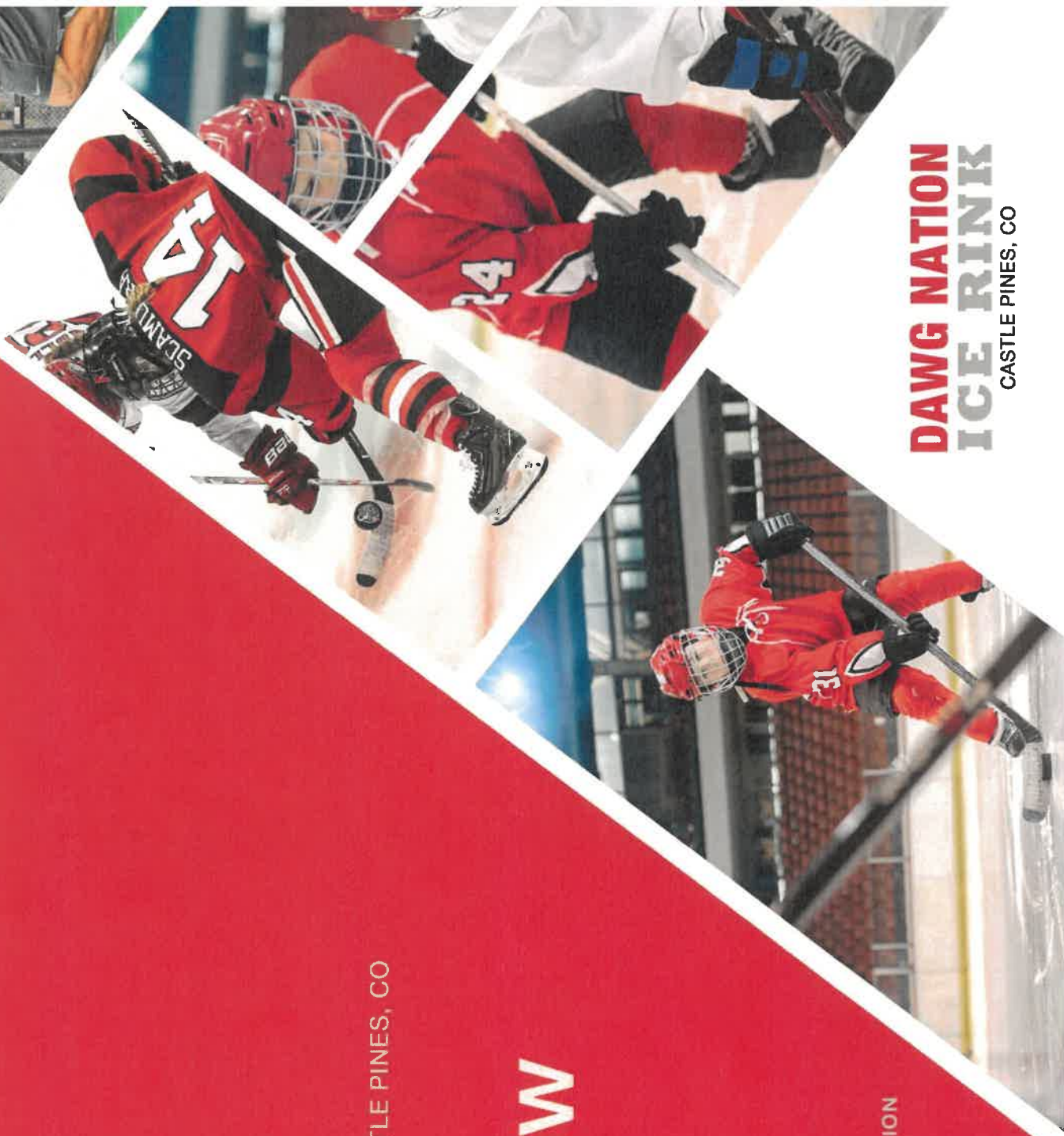
DAWG NATION ICE RINK | CASTLE PINES, CO

# Project Overview



PREPARED FOR:

DAWG NATION HOCKEY FOUNDATION  
CASTLE PINES, CO



**DAWG NATION**  
**ICE RINK**  
CASTLE PINES, CO

# ABOUT DAWG NATION FOUNDATION

DAWG Nation Hockey Foundation promotes community by creating opportunities in recreational and competitive ice hockey, while supporting players and their families in high standards of health, wellness, and fair play. Begun in 2011 as a way to honor a fallen teammate, we have grown from a small group of adult hockey players to a powerful force on the Colorado hockey scene. More than just a cadre of teams, we band together to provide resources to families in their time of need.



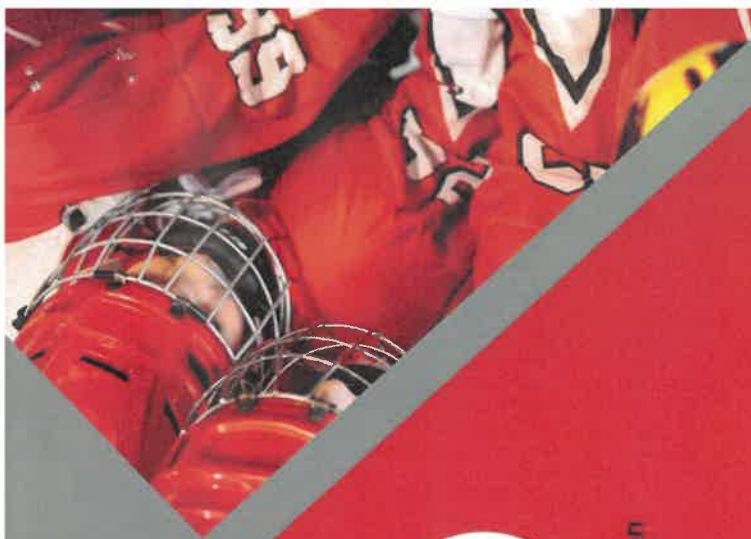
Our own Jack Kelly wore #21 on the original DAWGs team and was much more than just a teammate. A husband and father of three, Jack tragically passed in April of 2010. The loss of our beloved #21 was a blow to all of us, but spurred the idea of DAWG Nation. Jack will never be replaced, but to see his legacy live on through his widow and daughters is beyond inspirational. Today his family is still very much a part of the organization and we know that Jack is still watching over us and guiding us in his own special way.

## DAWG Nation Board of Directors

- Todd Gehrike, Chairman
- Greg Clinard, Vice Chair
- Rob Packard, Secretary
- Aaron Alwell, Board Member
- Bill Brierly, Board Member
- Dave Chamberlin, Board Member
- Taylor Erickson, Board Member
- Bill Miller, Board Member
- Matt Obert, Board Member
- Milan Hejduk, Honorary Board Member
- Peter McNab, Honorary Board Member

## DAWG Nation Rink Capital Campaign Board

- Greg Ahbe | The Ahbe Group
- Jerry DeVaul | Warrior Avalanche Sled Hockey
- George Gwozdecky | Valor Christian High School
- Jan Hejda | NHL Alumnus
- Karin Kukral | Northwood Investors
- Jack Mousseau | MOA Architecture
- Jim Mundle | Overdrive Raceway
- Josh Suter | Vukota Capital
- Michael Vickers | Compark
- Brooke Cedars | Aces Hockey Academy
- Bill Brierly | Legal Advisor
- Erik Estrada | Legal Advisor



**Martin Richardson**  
CEO & President

## MISSION

DAWG Nation Hockey Foundation is a 501 (c)(3) nonprofit charity dedicated to providing opportunities for persons with and without disabilities to gain confidence and independence through participation in national and international amateur ice hockey events, and to support local, national and international amateur ice hockey players and their families in times of crisis.

## VISION

DAWG Nation believes in the power of ice hockey to give persons with and without disabilities the opportunity to gain independence and confidence through playing ice hockey and in the power of the ice hockey community to help amateur ice hockey players and their families in times of need. At DAWG Nation, we believe that every ice hockey player regardless of level or ability should:

**Play Hard. Play Fair. Give Back.™**

## INTRODUCTION

The intent of this document is to achieve a multi-faceted funding structure to allow for the DAWG Nation Ice Rink to be developed so that it will have the ability to serve and enhance the local community.

The DAWG Nation Ice Rink is an indoor ice facility envisioned for development in Castle Pines, CO. The Complex is planned to provide an enhanced quality of life for residents by offering a hub for ice-related sports and recreation to a level that currently does not exist in Castle Pines. In addition to serving the local market, the DAWG Nation Ice Rink will serve the regional market by hosting indoor ice tournaments and events. These tournaments and events will be a driver of new spending in the community from non-local visitors that would not be there but for the tournaments and events planned at the DAWG Nation Ice Rink.

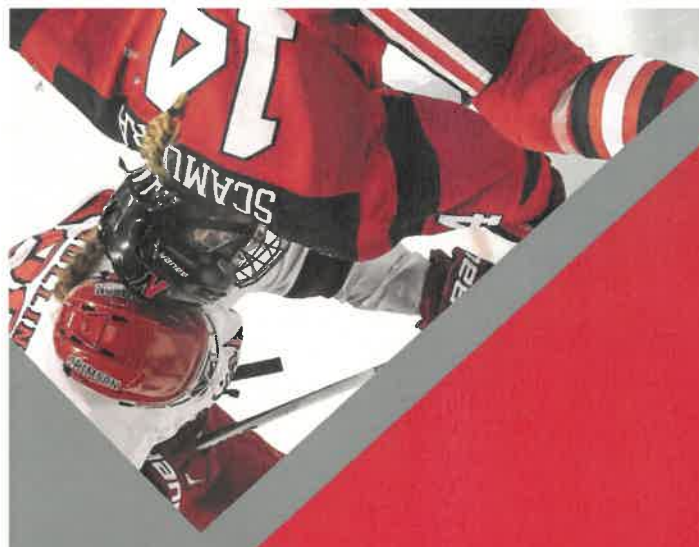
The DAWG Nation Ice Rink will differentiate itself by developing a facility that is able to accommodate ice hockey and ice skating activities as well as sled/adaptive hockey programs and services. Additionally the Complex will connect the surrounding communities in Colorado with youth and adult programs, anchoring several nearby high school programs.

## MISSION

To develop one of the world's premier sled/adaptive hockey facilities with program opportunities for all types of skaters, including recreational, hockey, and figure skating.

## VISION

The DAWG Nation Ice Rink will offer high-quality programs that are focused on a variety of ice sports and activities through competitive play along with exciting recreational activities that will elevate the customer experience. The complex will serve as a hub for a full spectrum of competitive, recreational, and community pursuits.



# EXECUTIVE SUMMARY

## FACILITY OVERVIEW

Serving Castle Pines and the surrounding markets, the DAWG Nation Ice Rink is designed to meet the growing local demand for year-round indoor ice sports and recreation activities. The complex will be built under best practices utilizing state-of-the-art surfaces and finishes to create a best-in-class complex.

2

### COMPETITION ICE RINKS

Two NHL regulation ice rinks with 500 seats

1

### ARENA ICE RINK

One NHL regulation ice arena with 2,500 seats

17

### LOCKER ROOMS AND TEAM AREAS

- 12 locker/team rooms
- 1 figure skating locker room
- 3 referee rooms
- 1 public locker room

3

### TENANT SPACE AREAS

- 3,000 square foot restaurant/bar/kitchen
- 4,000 square foot retail space
- 3,000 square foot training and fitness area

### TOTAL PROJECT COST

**\$36.4** MILLION

**9.5** ACRES



# DAWG NATION ICE RINK

CASTLE PINES, CO



DAWG NATION ICE RINK — CASTLE PINES, CO

# EXECUTIVE SUMMARY FINANCIAL OVERVIEW

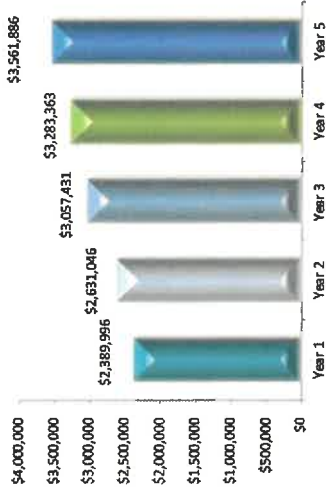


**DAWG NATION  
ICE RINK**  
CASTLE PINES, CO

THE FOLLOWING CHARTS DEPICT TOTAL ANNUAL REVENUES, OPERATING EXPENSES AS A PERCENT OF REVENUE, AS WELL AS THE TOP PROGRAM REVENUE STREAMS BY CATEGORY FOR THE COMPLEX.

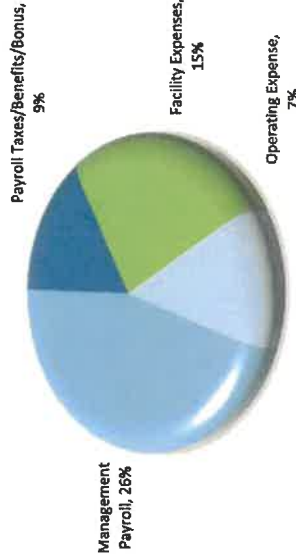
## REVENUES

**Total Annual Revenues**



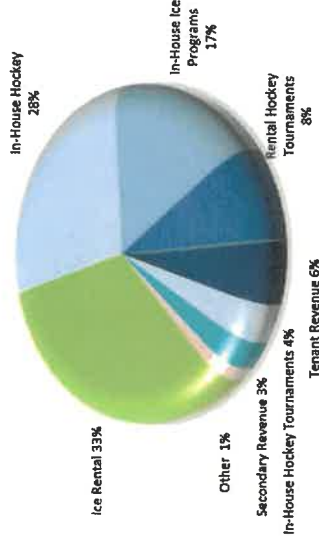
## EXPENSES

**Operating Expenses as a % of Revenue**



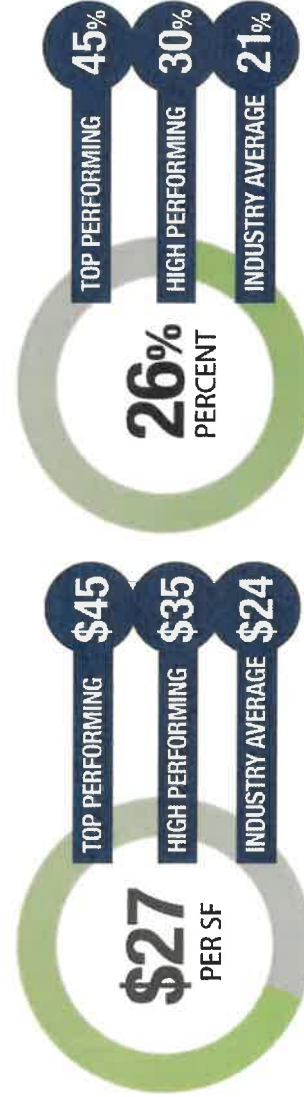
## PROGRAMS

**Top Revenue Streams by Category**



# INDUSTRY PERFORMANCE

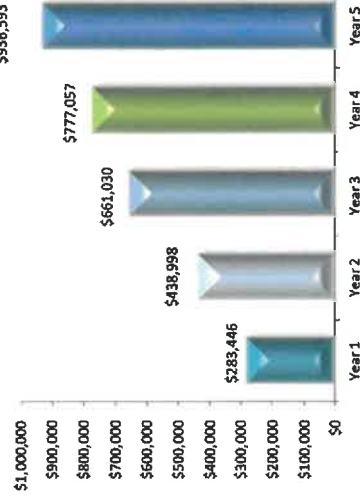
THE CHART SHOWS THE TOTAL ANNUAL EBITDA OF THE FACILITY IN YEARS 1-5. THE INFOGRAPHS BELOW HIGHLIGHT THE PERFORMANCE OF THE FACILITY AS COMPARED TO INDUSTRY BENCHMARKS FOR REVENUE PER SQUARE FOOT AND EBITDA AS A PERCENT OF REVENUE.



TOTAL REVENUE PER SF FOR INDOOR FACILITIES

EBITDA AS A PERCENT OF TOTAL REVENUE

**Total Annual EBITDA**



THE CHART ABOVE DEPICTS TOTAL ANNUAL EBITDA IN YEARS 1-5

Note: The industry thresholds referenced in the infographics to the left are derived from case studies and data collection for existing operations at facilities that are similar to the DAWG Nation Ice Rink.

# MARKET INFORMATION OVERVIEW

## MARKET ANALYSIS

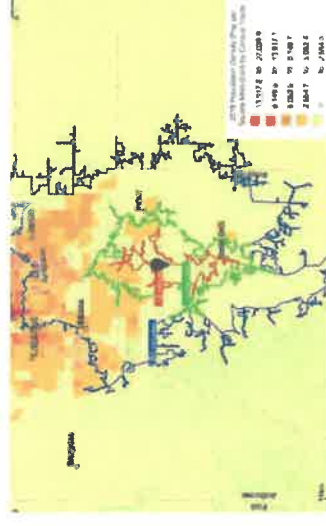
The DAWG Nation Ice Rink will serve the local market by providing a sports and recreation facility unlike anything currently in the Castle Pines market. This opportunity is based on the need for unique amenities that serve the growing local community and fulfills the demonstrated enthusiasm for ice sports and recreation activities in Castle Pines, CO. The combination of these critical factors will result in an asset for the local community that is both impactful and sustainable.

### Demographics by Drive Times

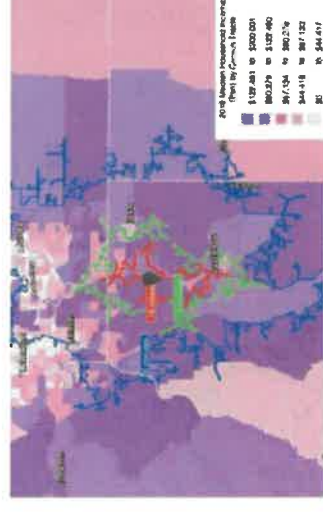
SFA analyzes eight different drive time radii to determine the opportunity to serve customers from a variety of distances for a multitude of local programs. A standard benchmark for supporting a sports and recreation complex is 300,000 people within a 30-minute drive time radius. As shown in the table below, the 30-minute population is well above this benchmark, which means the complex is well positioned to capitalize on attracting participants from the local market to participate in sports programs being offered at the complex.

Key Demographic Factors					
Category	10 Minutes	15 Minutes	30 Minutes	60 Minutes	
Total Population	30,708	186,611	1,206,101	3,720,777	
Projected 5-Year Population Growth	13.6%	12.7%	8.5%	8.3%	
Median Age	38.3	36.4	37.7	36.9	
Median Household Income	\$115,394	\$108,311	\$87,220	\$77,061	
Fees for Recreational Lessons	\$316	\$267	\$206	\$177	

The Castle Pines market is characterized as a young, rapidly growing, and densely populated area with above-average median household income levels and above-average spending levels on recreational lessons compared to many other markets SFA has studied. The chart above depicts some of the key demographic factors used in analyzing the viability of a new complex.



The map above depicts the 10-, 15-, and 30-minute drive time, superimposed over population density.



The map above depicts the 10-, 15-, and 30-minute drive time, superimposed over median household income.



# MARKET STRENGTHS

## Indoor Ice Arena:

With approximately 79,000 square feet of indoor ice space and three NHL regulation ice rinks, the DAWG Nation Ice Rink has the ability to host a wide variety of ice sports, such as hockey, sled/adaptive hockey, ice skating, figure skating and other ice-related sports. With three full-size NHL ice rinks, the DAWG Nation Ice Rink would be one of the largest ice facilities in the region and the only facility that is designed to fully accommodate sled/adaptive hockey.

## DAWG Nation Programs:

DAWG Nation has existing programs that are already hosted out of existing ice facilities in the Greater Denver Area. These programs include an adult recreational league that will have two sessions in the fall/winter and spring/summer. Additionally, the DAWG Bowl is an annual tournament hosted by DAWG Nation out of existing ice facilities in the Greater Denver Area. The DAWG Bowl is a four day charity tournament used to raise funds to aid those in the hockey community that can use a helping hand. This year the DAWG Bowl will be celebrating its 10th anniversary and feature 44 adult and sled/adaptive teams. These programs will be brought to the DAWG Nation Ice Rink upon opening.

## Market Demographic Characteristics:

The market is characterized by demographic factors that exceed SFA's standards for what is required to develop a successful sports tourism and recreation facility. The population size and projected rates of population growth will bring a constant stream of customers coupled with young population segments that have above-average income and spending levels, creates an opportunity for the DAWG Nation Ice Rink to enter the market, attract and retain customers, and charge fair-market rates for programs and offerings that will contribute to the success of the facility.

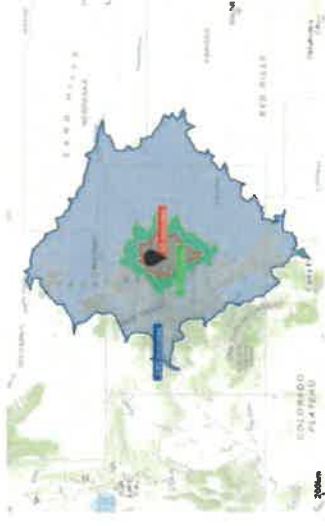
## Program Partners:

DAWG Nation has existing relationships with local hockey clubs, local high school teams, sled/adaptive hockey organizations, existing camp/instruction providers, and training and fitness providers in the market. These program partners will provide tournaments and events and ice rental time to the DAWG Nation Ice Rink, guaranteeing revenue and utilization to the facility in the beginning years of operations.

## Site Location:

The DAWG Nation Ice Rink will be positioned on a 10-acre parcel of land that has been donated by the City of Castle Pines. The site is located along and has visibility from Interstate 25 in which 150,000 cars pass by on a daily basis. Furthermore, the site is located in a rapidly growing commercial development area which is planned to feature multiple hotels, retail, and restaurant providers within walking distance to the site.

## Project Location:



Castle Pines, CO

*As another way of demonstrating the strength of the regional market, the map above shows the 240-minute drive time radius, which is the threshold the DAWG Nation Ice Rink can reliably expect to attract individuals to the facility to stay overnight and spend in the community for the tournaments and events.*

*The total population within the 240-minute drive time radius is 5,691,673.*

# DAWG NATION ICE RINK PROJECT SUMMARY

## FACILITY PROGRAM

The table to the right shows the type, size, number, and required square footage of the programming spaces included in the DAWG Nation Ice Rink. Square footage for common areas, circulation, storage, and other internal spaces are also accounted for and are comparable to other facilities of this size and purpose.

Note: Recommended parking, setbacks, and green space account for 25% of the overall square footage of the DAWG Nation Ice Rink, bringing the total complex acreage to 9.5 acres.

Space	Indoor Programming Product/Service	Count	Approx. SF each	Total SF	% of Footprint
Ice Rinks/Seating	Competition Ice Rink	2	16,320	32,640	24.7%
	Arena Ice Rink Deck	1	16,320	16,320	12.3%
	Competition Rink Seating (500 Seats)	3	4,500	13,500	10.2%
	Arena Rink Seating (2,500 Seats)	2	2,250	4,500	3.4%
	<b>Total Ice Rinks/Seating Sq. Ft</b>			<b>78,960</b>	<b>59.7%</b>
Lockers/Team Areas	Team/Locker Rooms	12	420	5,040	3.8%
	Public Lockers	1	500	500	0.4%
	Figure Skating Lockers	1	500	500	0.4%
	Ref Rooms	3	150	450	0.3%
	Locker Room Restrooms	12	290	3,480	2.6%
	<b>Total Lockers/Team Areas Sq. Ft</b>			<b>9,970</b>	<b>7.5%</b>
Administration/Office	Meeting Room	1	500	500	0.4%
	Restroom	1	45	45	0.0%
	First Aid	1	100	100	0.1%
	Storage	2	100	200	0.2%
	Work/ Break	1	100	100	0.1%
	Office	3	100	300	0.2%
	Office	2	120	240	0.2%
	Office	1	150	150	0.1%
	Reception	1	120	120	0.1%
		<b>Total Administration/Office Sq. Ft</b>			<b>1,755</b>
Building Services	Skate Rental Concession/Maintenance	1	1,000	1,000	0.8%
	Party Rooms	2	800	1,600	1.2%
	Open Party Areas	2	1,000	2,000	1.5%
	Circulation Gallery	1	2,000	2,000	1.5%
	Pro Shop	1	1,000	1,000	0.8%
	Reception	1	200	200	0.2%
	Lobby	1	2,000	2,000	1.5%
	Vestibule	1	300	300	0.2%
	Lobby Restrooms	1	440	440	0.3%
	Skate Sharp	1	50	50	0.0%
	Leased Space: Restaurant/Bar/Kitchen	1	3,000	3,000	2.3%
	Leased Space: Retail	1	4,000	4,000	3.0%
Leased Space: Training and Fitness	1	3,000	3,000	2.3%	
	<b>Total Building Services Sq. Ft</b>			<b>20,590</b>	<b>15.6%</b>
Mechanical, Electrical, Storage, Common Area, Stairs, Circulation, Etc.	Required SF for Products and Services			111,275	84.1%
				21,096	15.9%
	<b>Total Estimated Indoor Athletic Facility SF</b>			<b>132,371</b>	<b>100%</b>
Parking Spaces Total (20' x 20' inc. aisles)	Quantity	529	400	211,794	71.9%
	Approx. SF each		25% of SF	82,732	28.1%
	<b>Total Estimated Site Development SF</b>			<b>294,525</b>	<b>100%</b>
	<b>Total Site Development Acreage</b>			<b>6.8</b>	
	<b>Total Complex Acreage</b>			<b>9.5</b>	

### Flex Space

This includes the spaces that support the management, operations, and auxiliary revenue streams tied to the facility.

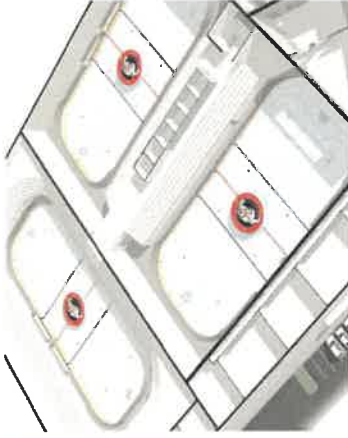
### Parking

The estimated number of parking spaces is based on four cars per 1,000 square feet of indoor facility space, for a total of 529 spots.



# FACILITY OVERVIEW

Serving Castle Pines and the surrounding markets, the DAWG Nation Ice Rink is designed to meet the growing local demand for year-round indoor ice sports and recreation activities. Additionally, the facility will serve the regional market through hosting indoor ice-based tournaments and events. The complex will be built under best practices utilizing state-of-the-art surfaces and finishes to create a best-in-class complex.



The DAWG Nation Ice Rink will feature an approximate 79,000 square-foot of indoor ice space. The indoor ice space is able to accommodate three NHL regulation ice rinks. Two of the ice rinks feature 500 seat capacity stands while one of the ice rinks is an arena with a 2,500 seat capacity. The indoor ice space will have the ability to fully accommodate sled/adaptive hockey. Additionally, the complex will feature approximately 10,000 square feet in locker room/team/referee areas. In total there are 12 team/locker rooms, one public locker room, one figure skating locker room, and three referee rooms. The facility will also feature 10,000 square feet of leased space for restaurant/bar/kitchen, retail, and fitness & training providers. In addition to the sport and recreation spaces the complex will also feature support amenities which include, office spaces, pro shop, party rooms/areas, restrooms, lobby, etc.



**Ice Hockey**



**Ice Skating**



**Training & Fitness**



**Birthday Parties**

## PROGRAMS & SERVICES

### Ice Hockey Recreational & Competitive

- Adult Hockey Leagues
- Youth Hockey Leagues
- Instructional Camps
- Sports Clinics
- Learn to Play
- Tournaments
- Drop-In Play

### Ice Skating Recreational & Competitive

- Learn to Skate
- Figure Skating – Freestyle
- Synchronized Skating
- Theater on Ice
- Public Skate
- Skate Rentals

### Ice Rentals

- Local High School Teams
- Sled/Adaptive Hockey
- Local Hockey Clubs
- Local Hockey Instructors

### Tenant Space

- Restaurant/Bar/Kitchen
- Retail
- Training & Fitness

### Other programs

- Birthday Parties/Celebrations
- Youth Programming

## OPINION OF COST

SFA has conducted thorough market research, assessed project feasibility, and developed a five-year operating pro forma, which forecasts the financial viability of DAWG Nation Ice Rink. In order to accurately assess the market opportunity, SFA has leveraged its extensive experience and first-hand knowledge of the Castle Pines, CO market and the surrounding region. During an in-depth business and strategic planning phase, the team compiled information related to existing area facilities, studied the latest trends in the youth and amateur sports industry, and gathered important market research to assist in the comprehensive facility and financial analysis.

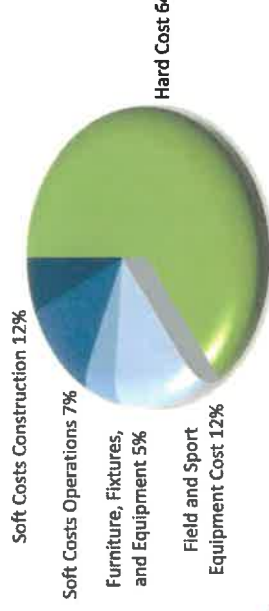
### Capital Costs and Start-up Expenses

Based on experience in the industry, the completion of similar projects, and knowledge of construction and development costs in the region, the total projected cost for the construction and start-up of the DAWG Nation Ice Rink is approximately \$36.4 million. The table below demonstrates the uses of funds for the development of the complex.

USES OF FUNDS	
Land Cost	\$0
Hard Cost	\$23,475,081
Field and Sport Equipment Cost	\$4,353,569
Furniture, Fixtures, and Equipment	\$1,828,642
Soft Costs Construction	\$4,247,412
Soft Costs Operations	\$2,538,060
Working Capital Reserve	TBD
<b>Total Uses of Funds</b>	<b>\$36,442,763</b>

The table above identifies the uses of funds for the development of the facility.

### Use of Funds



### Soft Costs

Soft costs include all of the pre-opening costs that are associated with both construction as well as getting the business up and running including legal, accounting, staffing, marketing, and consulting services.

### Working Capital Reserve

This is an amount set aside to account for any cost overruns that may occur within the construction and start-up phase. This amount will be defined once the financing structure and development schedule have been determined.

# PRO FORMA OVERVIEW

## Process/Methodology

SFA's proprietary analytical process is founded in detailed market research, national benchmarks, key performance indicators, and real-world operational data. SFA's assessment of the youth and amateur sports, recreation, and entertainment industry, regional and national relationships with event and facility operators, and local needs and opportunities served as the basis for its recommendations for and projections of DAWG Nation Ice Rink.

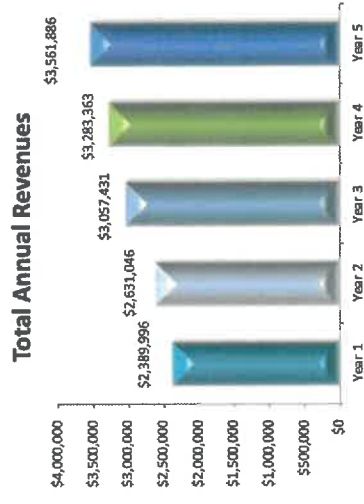
SFA's forecasting process consists of a detailed eight step, 68-factor process that is conservative, realistic, and based on experience in the youth and amateur sports, recreation, and entertainment industries. This process has been used in the analysis of thousands of potential projects, has been proven to be reliable in securing funding and/or financing, and has resulted in projections that have been achieved in a variety of existing operations

## Total Revenue

SFA has developed a proprietary methodology based on local market factors, local competition, regional sports tourism, and established sales closing percentages in order to accurately calculate projected revenue.

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
In-House Hockey Tournaments	\$0	\$58,800	\$61,200	\$122,400	\$127,440
Rental Hockey Tournaments	\$202,500	\$202,500	\$283,500	\$283,500	\$297,675
In-House Hockey	\$461,663	\$581,280	\$773,109	\$882,194	\$1,010,690
In-House Ice Programs	\$315,216	\$373,409	\$463,725	\$516,913	\$587,410
Ice Rental	\$1,077,527	\$1,077,527	\$1,131,403	\$1,131,403	\$1,187,974
Birthday Parties	\$10,800	\$12,960	\$14,969	\$15,717	\$17,328
Youth Programming	\$15,600	\$17,160	\$19,820	\$20,811	\$22,944
Retail	\$6,690	\$7,410	\$9,705	\$10,425	\$10,425
Tenant Revenue	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Secondary Revenue	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>Total Revenue</b>	<b>\$2,389,996</b>	<b>\$2,631,046</b>	<b>\$3,057,431</b>	<b>\$3,283,363</b>	<b>\$3,561,886</b>

The table above represents operating revenue for years one through five of operations



## Revenue

The table above illustrates the projected growth of total annual revenues from operations. The infographic below depicts the performance of total revenue at maturity, which is expected to be at industry average.



**Note:** The industry threshold reference above are derived from case studies and data collection for existing operations at facilities that are similar to the DAWG Nation Ice Rink.

# PRO FORMA OVERVIEW

## Total Expenses

Expenses are generated from proven cost of goods sold and operating expense structures from comparable facilities operating successfully in the region and across the nation. This, along with our vast experience in planning and operating youth and amateur sports facilities, allows SFA to be accurate in forecasting complex performance.

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
In-House Hockey Tournaments	\$0	\$13,525	\$14,017	\$28,334	\$29,407
Rental Hockey Tournaments	\$33,413	\$33,413	\$46,778	\$46,778	\$49,116
In-House Hockey	\$67,743	\$85,295	\$110,537	\$126,133	\$142,696
In-House Ice Programs	\$64,775	\$76,596	\$94,920	\$105,765	\$120,090
Ice Rental	\$177,792	\$177,792	\$186,682	\$186,682	\$196,016
Birthdays Parties	\$10,692	\$12,830	\$13,730	\$14,417	\$15,295
Youth Programming	\$3,978	\$4,376	\$5,054	\$5,307	\$5,851
Retail	\$4,683	\$5,187	\$6,794	\$7,298	\$7,298
Tenant Expense	\$0	\$0	\$0	\$0	\$0
Secondary Revenue	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
<b>Total Cost of Goods Sold</b>	<b>\$368,075</b>	<b>\$434,014</b>	<b>\$503,511</b>	<b>\$545,713</b>	<b>\$590,769</b>
Facility Expenses	\$489,555	\$494,323	\$501,738	\$509,264	\$516,903
Operating Expense	\$231,554	\$221,672	\$240,654	\$251,646	\$264,772
Management Payroll	\$746,700	\$776,568	\$853,411	\$887,547	\$923,049
Payroll Taxes/Benefits/Bonus	\$250,666	\$265,472	\$297,087	\$312,136	\$329,800
<b>Total Operating Expenses</b>	<b>\$1,718,475</b>	<b>\$1,758,035</b>	<b>\$1,892,890</b>	<b>\$1,960,594</b>	<b>\$2,034,525</b>

The tables above summarize the cost of goods sold for each program area and the total operating expenses, accounting for the physical facility, operations, management payroll, and payroll taxes, benefits, and bonus to support the revenue streams on the preceding page and required to operate the facility.

## Cost of Goods Sold

Cost of goods sold as a percent of revenue at maturity are expected to exceed the top-performing threshold level.



## Operating Expenses

At maturity, operating expenses exceeds the top-performing threshold level.



**Note:** The industry threshold reference above are derived from case studies and data collection for existing operations at facilities that are similar to the DAWG Nation Ice Rink.

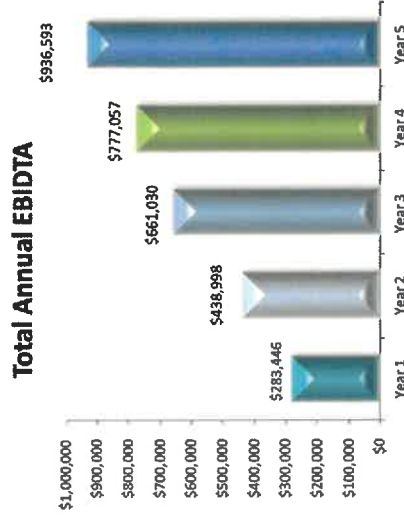
## SUMMARY INCOME STATEMENT

The opportunity for the DAWG Nation Ice Rink is enhanced by the vision for creating a unique and differentiated business model, existing DAWG Nation programs and events, and support from local hockey organizations, clubs, high schools, etc. that will bring existing tournaments, programs, and rental ice time to the facility allowing for the complex to compete effectively within the existing marketplace. Based on SFA's analysis of revenue, costs of goods sold, and operating expenses, the complex is forecasted to become operationally self-sustaining in the first year of operations.

The table below summarizes the financial performance of the facility from the full pro forma:

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	\$2,389,996	\$2,631,046	\$3,057,431	\$3,283,363	\$3,561,886
Total Cost of Goods Sold	\$388,075	\$434,014	\$503,511	\$545,713	\$590,769
Gross Margin	\$2,001,921	\$2,197,033	\$2,553,920	\$2,737,651	\$2,971,117
Total Operating Expenses	\$1,718,475	\$1,758,035	\$1,892,890	\$1,960,594	\$2,034,525
<b>EBITDA</b>	<b>\$283,446</b>	<b>\$438,998</b>	<b>\$661,030</b>	<b>\$777,057</b>	<b>\$936,593</b>

The opportunity at the DAWG Nation Ice Rink demonstrates a total EBITDA of over \$900,000 once the business reaches stabilization (year five of operations). In order to open at full strength and achieve these projections, the pre-opening staff will need to implement systems during the pre-opening sales drive to establish a brand and marketing message to reach the target market. Upon opening, the new staff will need to continue "best practices" for continued marketing and sales, operations, budget management, and overall facility leadership.



## EBITDA

The table above illustrates the projected growth of total annual EBITDA (operational performance). The infographic below depicts EBITDA at maturity, which is expected to be 26 percent as percent of revenue.



**Notes:** The industry threshold reference above are derived from case studies and data collection for existing operations at facilities that are similar to the DAWG Nation Ice Rink.

## ECONOMIC IMPACT

SFA analyzed the two most important drivers of economic impact: non-local days in market for overnight trips and for day trips, and room nights generated for each projected event. The tables below summarize the total number of non-local days in market visitors and total hotel room nights, summarize the total economic impact projected facility in years one through five of operations from the full pro forma:

### Economic Impact Drivers

	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Local Days in Market - Overnight	20,808	23,838	27,926	30,956	30,956
Non-Local Days in Market - Day Trips	6,243	7,151	8,378	9,287	9,287
Room Nights	6,598	7,548	8,891	9,841	9,841

### Economic Impact

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Direct Spending - Overnight	\$3,145,752	\$3,603,727	\$4,221,809	\$4,679,783	\$4,679,783
Total Direct Spending - Day Trips	\$290,927	\$333,282	\$390,444	\$432,798	\$432,798
Total Indirect Spending	\$0	\$0	\$0	\$0	\$0
<b>Total Economic Impact</b>	<b>\$3,436,679</b>	<b>\$3,937,008</b>	<b>\$4,612,252</b>	<b>\$5,112,582</b>	<b>\$5,112,582</b>

The DAWG Nation Ice Rink is projected to generate approximately \$3.4 million of direct spending in its first year, and approximately \$5.1 million by maturity in year five. In addition to direct spending, SFA projects that the tournaments and events hosted by the facility will create more than 9,800 room nights in year five of operations and will continue to do so annually.

This economic impact generation will have a positive effect on the local community by boosting the economy and level of activity in Castle Pines, CO that would otherwise not be present but for the activity occurring within the facility. In addition to the economic benefits, sports and recreation activities are proven to have a positive effect on the lives and health of youth, adults, families, and communities.

## Impact on the Community

This economic impact generation will have a positive effect on the local community by boosting the economy and level of activity in Castle Pines that would otherwise not be present but for the activity occurring within the facility. In addition to the economic benefits, sports and recreation activities are proven to have a positive effect on the lives and health of youth, adults, families, and communities.







# ECONOMIC IMPACT OVERVIEW

## Process/Methodology

SFA has conducted a thorough economic impact study, which forecasts the direct spending in the local community from the tournaments and events planned at the DAWG Nation Ice Rink. In order to accurately assess the economic impact potential, SFA has leveraged its extensive experience in planning, funding, developing, and managing successful sports tourism around the nation that generate tens of millions of dollars in economic impact to their respective communities, first-hand knowledge in the current sports tourism industry trends, familiarity of the Castle Pines market and the surrounding region, and conversations with local stakeholders. During SFA's analysis, SFA compiled information related to existing regional tournament-class facilities, tournaments and events occurring within the region, studied the latest trends in the sports tourism industry, and analyzed important market research to assist in the economic impact analysis.

Within the pro forma, SFA has conducted an in-depth analysis of the two components that determine economic impact. These components include, the average daily expenditure for non-local visitors to the market, and the details for each event planned at the DAWG Nation Ice Rink such as, number of participants, number of spectators, length of events, and day and overnight travel habits in the region and across the country.

## Number of Events Per Year

As previously mentioned, the DAWG Nation Ice Rink has the ability to host a variety of different tournaments and events that include youth tournaments, adult tournaments, charity tournaments, and sled/adaptive hockey tournaments. Within the pro forma, SFA has forecasted the total number of ice-based tournaments and events per year. The table below summarizes the types of events and total number of events per year during years one through five as detailed in the full pro forma:

	Year 1	Year 2	Year 3	Year 4	Year 5
Hockey Tournaments	9	10	13	14	14
<b>Total Events Per Year</b>	<b>9</b>	<b>10</b>	<b>13</b>	<b>14</b>	<b>14</b>

As shown in the table above, the DAWG Nation Ice Rink is planned to host 9 tournaments/events in year one and up to 14 tournaments/events in year five.

DAWG NATION ICE RINK - CASTLE PINES, CO

## Average Daily Expenditure

SFA has projected per-person spending in the categories in which visitors to Castle Pines are expected to spend for regional youth and amateur tournaments and events. As the chart below shows, visitors are expected to spend an average of \$151.18 per person per day when traveling to Castle Pines, CO from out of town for overnight trips from beyond a 90-minute drive time.

	Amount	% of Total
Lodging/Accommodations	\$34.67	
Dining/Groceries	\$61.00	
Transportation	\$10.37	
Entertainment/Attractions	\$13.42	
Retail	\$15.25	
Miscellaneous	\$16.47	
<b>Total</b>	<b>\$151.18</b>	

## CONCLUSION

DAWG Nation is seeking financing partners to underwrite the total estimated construction and development costs. The bullets below highlight the unique differentiators and strengths of this opportunity.

### Summary Points:

- DAWG Nation Ice Rink will become one of the premier sled/adaptive hockey facilities in the world.
- The facility will serve and support the growth of local hockey clubs, local high school teams, and local camp/instruction providers through offering an ice facility to a level that currently does not exist in the community.
- DAWG Nation Ice Rink will make a significant positive impact in the lives of individuals, families, organizations, school groups, and businesses by driving a sense of place and improved quality of life in the community.
- DAWG Nation Ice Rink will become the premiere regional destination for ice tournaments and events that drives new visitor spending to the area through hosting a variety of tournaments and events that attract non-local visitors to stay overnight at hotels and spend in the community during their stay through eating at restaurants, shopping at retail stores, spending on gas, etc.
- This facility will be a driver of economic impact, that will bring over 9,800 room nights and approximately \$5.1 million of new direct spending per year at maturity.
- The financial projections provided by SFA are based on comparable operations and a detailed analysis of the market opportunity. DAWG Nation Ice Rink produces an operationally self-sustaining business model in year one of operations, generating over \$900,000 in EBITDA by year five.
- DAWG Nation Ice Rink is planned to be positioned in a growing part of the community that will be a catalyst for continued commercial development in the immediate surrounding area.

DAWG NATION ICE RINK – CASTLE PINES, CO

## ADDITIONAL INFORMATION:

Visit Us: [rink.dawgnation.org](http://rink.dawgnation.org)

Contact Us:

DAWG Nation

10658 W. Centennial Blvd. Suite 200

Littleton, CO 80127

(720) 432-9471

[rinkinfo@dawgnation.org](mailto:rinkinfo@dawgnation.org)





FOR MORE INFORMATION CONTACT:

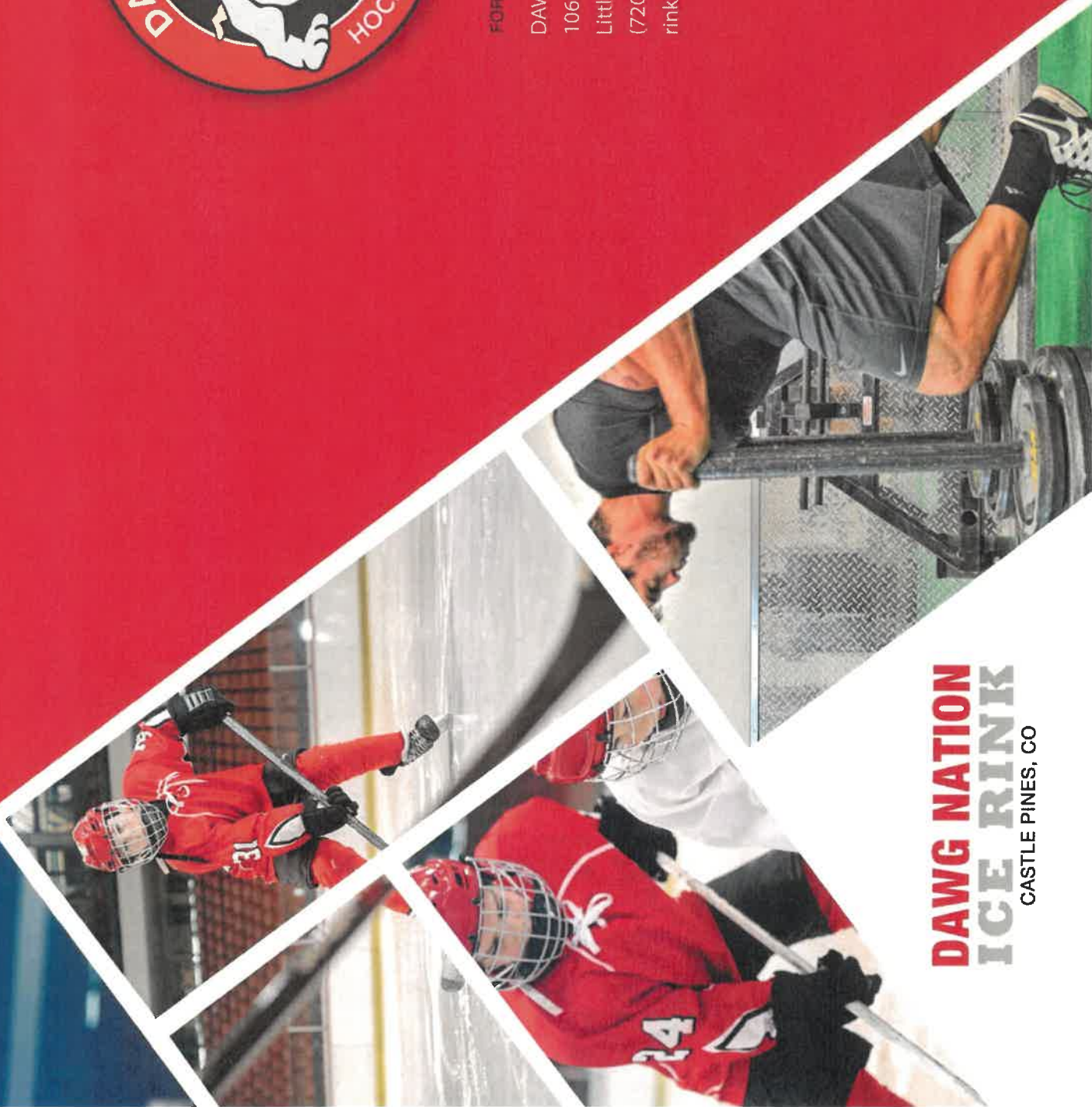
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**DAWG NATION**  
**ICE RINK**  
CASTLE PINES, CO

## About DAWG Nation

DAWG stands for Dedicated Ambassador of Wellness & Generosity, which exemplifies our organizational mission. DAWG Nation Hockey Foundation is a 501(c)(3) nonprofit charity which believes in the power of ice hockey to benefit both able-bodied and disabled amateur ice hockey players, and their families dealing with crisis. We strive to give everyone opportunity to gain independence and confidence they need to perform in the face of adversity, on or off the ice. With the fantastic support of the ice hockey community we host and sponsor participation for athletes in a variety of national and international amateur ice hockey events, and we also provide aid and support to deserving candidates, in times of need. For additional information on DAWG Nation's mission, events, and opportunities to participate and donate, please visit [www.DAWGNation.org](http://www.DAWGNation.org).

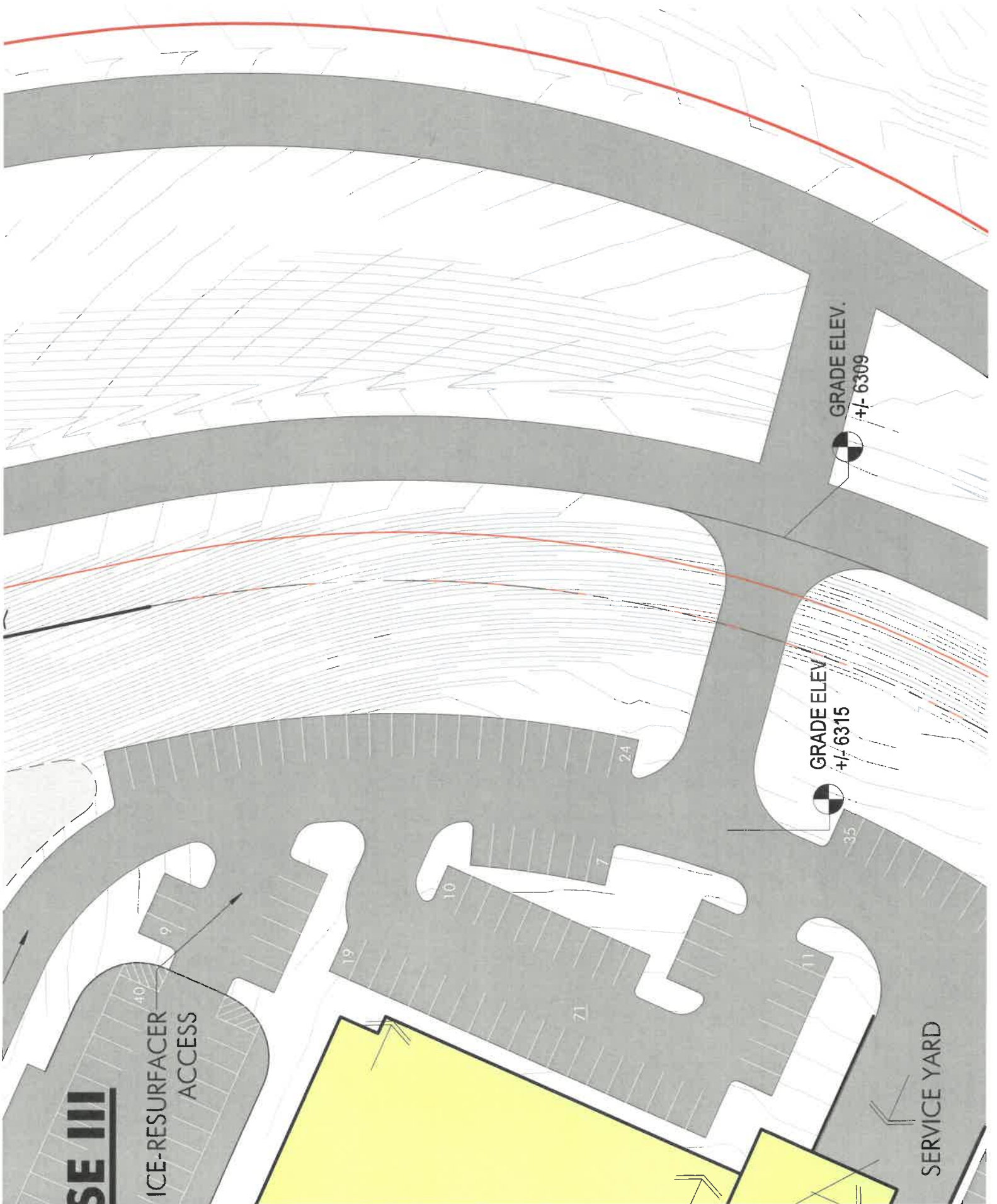


**DAWG Nation  
Hockey Foundation**  
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Main - 720.432.9471  
[rink.dawgnation.org](http://rink.dawgnation.org)

**EXHIBIT B**

**Depiction of Project Site**

**(Attached.)**



**SE III**

ICE-RESURFACER  
ACCESS

GRADE ELEV.  
+/- 6315

GRADE ELEV.  
+/- 6309

SERVICE YARD

**EXHIBIT C**  
**Master Schedule**

**(Attached.)**

DNHF MASTER SCHEDULE

Mon 8/2/21

