

A CENTERS Case Study



MARSHALL UNIVERSITY RECREATION CENTER

HUNTINGTON, WV

DEVELOPER / LEAD ENTITY

Capstone Development Corp.

PROGRAM MANAGER

Brailsford & Dunlavy

OPERATIONS

CENTERS, LLC

DESIGN ARCHITECT

Hastings and Chivetta

CONTRACTOR

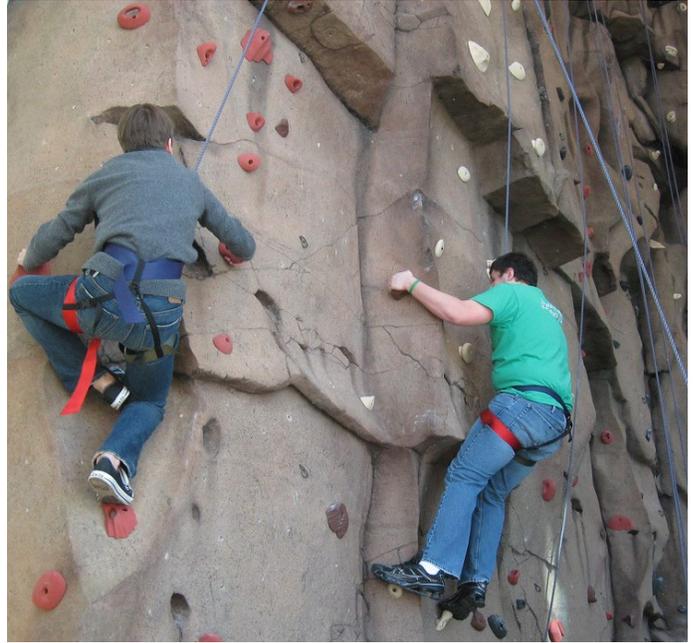
Mascaro Construction

UNDERWRITER

Regions Financial

The Marshall Recreation Center opened in 2009 to rave reviews by both students and faculty. The center also serves as a laboratory for students enrolled in courses in exercise science, sports, and recreation. Located at the corner of 5th and 20th Street, this three-story facility offers students and faculty an indoor pool, a four-court gymnasium, a three-lane jogging track, racquetball courts, group exercise studios, a juice bar, pro shop, outdoor deck area, and a three-story climbing wall.

As the largest employer on campus, campus recreation employs students as fitness instructors, personal trainers, building managers, facility assistants, lifeguards, intramural sports officials and supervisors, fitness specialists, outdoor pursuits assistants, and trip leaders. As the project's manager, CENTERS fully maintains and operates the facility as a separate enterprise from the university. All procurement and expenses are managed through CENTERS' corporate staff and all building maintenance, repairs, and custodial services are directed by staff on site. CENTERS also delivers comprehensive programs and services. Its transparent management model is well received by faculty and students alike who remain unaware of this unique contractual relationship. That is the CENTERS way of doing business. In 2011, the Department of Campus Recreation won honorable mention for large-scale signage at the annual NIRSA Creative Excellence Awards.



SUCCESS STORIES

- ◆ CENTERS worked closely with Marshall stakeholders to coordinate a non-recourse financing structure for 100% of the Recreation Center's project costs, utilizing a not-for-profit owner under a long-term ground lease with the University. The result was a financially self-sufficient project, preserving the University's debt capacity and minimizing credit rating impact to same.
- ◆ CENTERS successfully transitioned an existing staff and quickly contributed to transforming a campus culture in a city historically dubbed one of the "unhealthiest cities in America" to a more active, health-focused community.
- ◆ CENTERS markets to five affiliated hospitals surrounding the Recreation Center. Strides have been made in capturing these affiliates through creative marketing and expending extensive sweat equity. This experience has translated into increased memberships.

CONSTRUCTION TYPE / COSTS

Construction is three story steel and masonry, with exterior brick façade and glazing elements. Direct construction costs were \$30,762,000.

FINANCING

Part of a larger issue of just over \$81 million tax-exempt, non-recourse revenue bonds, with subordinate cash flow development bonds to Capstone. Ownership by a non-profit foundation, under a long-term ground lease.

BUILDING SIZE / PROGRAM

120,000 SF of gross building area.

PROGRAM

Indoor Pool
4-Court Gymnasium
3-Lane Jogging Track
Racquetball Courts
Group Exercise Studios
Outdoor Deck, Juice Bar, Pro Shop
3-Story Climbing Wall
2 Levels of Weight & Fitness