

FOR IMMEDIATE RELEASE

## **Fraser Valley Recreation FVMRD Faces Decision on Acquisition of Foundry Cinema and Bowl**

Fraser, CO - June 15, 2023 - The Fraser Valley Recreation FVMRD (FVRMD), is currently in a crucial decision-making process regarding the future and potential purchase of the Foundry Cinema and Bowl (Foundry). Since assuming management of the Foundry through a lease agreement in 2019, FVMRD has been responsible for its operations. The opportunity to assume operations of the Foundry was viewed positively by the FVMRD staff and Board of Directors as a chance to generate alternative revenue to support and expand recreational opportunities for the entire community. In addition, the recreational benefits offered by the Foundry align with the organizational mission and vision of the FVMRD.

The Foundry has become a cherished destination for individuals and families seeking entertainment, recreation, and social engagement. Its movie theater has enriched Grand County by providing a diverse range of films, while the bowling alley has created a vibrant space for friendly recreational competitions, community events and social gatherings. These facilities play an essential role in fostering connections, promoting an active lifestyle, and contributing to the local economy.

The current lease is set to expire in early 2024 and includes an option to purchase at a negotiated price. This price is well below current replacement costs, if the FVMRD were to build a similar facility. With the expiration date approaching, the owner has presented the FVMRD with three options. 1) Terminate the lease. This option would allow

ownership to repurpose the property, potentially into residential housing, and poses a significant threat to the community's access to a much-needed family entertainment venue. 2) Extend the existing lease. This option carries with it an escalation to the current lease terms, removal of the purchase option, along with other conditions that may be deemed unfavorable to the FVMRD. 3) To exercise the option to purchase the business and real property. The FVMRD must notify the owner of its decision no later than early August 2023. Recognizing the importance of this decision, FVMRD is thoroughly evaluating the potential benefits and challenges associated with each option including the acquisition.

The FVMRD structured the Foundry budget to provide alternative revenue without any direct tax dollar support. In the first year of operations under the FVMRD, the Foundry outperformed projections and generated net revenue for the FVMRD. During COVID, with mandated closures and additional limitations, the owner agreed to abate the rent to ensure continued operation for the benefit of the Grand County community. The abatements provided by the owner during 2020, 2021 and 2022 allowed the continued operation of the Foundry without any direct taxpayer support. Aside from 2020, the Foundry has outperformed its budget and generated net revenue for the FVMRD each year. The 2023 budget has the Foundry operation generating net revenue with full rent payments to ownership.

Should the Board decide to exercise the option to purchase, the intent would be to continue to operate the Foundry as a self-sustaining facility without direct support of tax dollars. All costs related to the financing for the acquisition would be supported by the business operation.

FVMRD understands the significance of recreational amenities in fostering a vibrant community and is committed to thoroughly analyzing the financial feasibility and long-term sustainability of the potential purchase. Multiple factors, such as purchase price, public financing options, current interest rates, operational costs, maintenance, staffing requirements, and community demand, are being carefully examined to make an informed decision that aligns with the community's best interests.

To ensure community engagement, FVMRD is seeking input from residents, business owners, and other stakeholders. Interested individuals are encouraged to attend the June 27th and July 25th FVMRD board meetings, held at the Grand Park Community Recreation Center, at 5:30pm and/or provide feedback to FVMRD board members via email to help them understand the community's desires and concerns regarding the future and potential acquisition of the Foundry.

For media inquiries, please contact:

Scott Ledin

Executive Director

[Scott@fraservalleyrec.org](mailto:Scott@fraservalleyrec.org)

About Fraser Valley Recreation District:

The FVMRD is an award-winning parks and recreation FVMRD located in Fraser, CO. whose mission is to provide recreational experiences to residents and guests through innovative, quality programs and facilities that promote health and wellness. The FVMRD offers a wide range of recreational programs and manages various facilities to meet the diverse needs of the community. By providing access to quality recreational

opportunities, the FVMRD strives to enhance the overall well-being of individuals and families.