

COMMITTEE AGENDA TOPICS

I. Subject: Review of Current Work in Progress

Action: Staff will provide a brief update to the Committee on the items that have been referred to the Committee and continue as "work in progress" for 2014. The update will include a general overview, key issues and an anticipated schedule for Committee review. No action is required.

- Modifications to Seaboard Street Infrastructure Reimbursement Agreement
- Modification to City Park Infrastructure Reimbursement Agreement
- Energy Strategy
- Eastland Mall Redevelopment
- Applied Innovation Corridor Strategy & Planning
- Immigration Integration Task Force Schedule & Process
- Bojangles Coliseum/Ovens Auditorium Development

II. Subject: Approve 2014 Meeting Schedule

III. Subject: Next Meeting Date: Thursday, February 6, 2014 at Noon, Room CH-14

COMMITTEE INFORMATION

Present: Michael Barnes, Vi Lyles, Al Austin, Claire Fallon and LaWana Mayfield
Time: 12:00 Noon – 1:50 p.m.

ATTACHMENTS

1. Update on 2014 Work in Progress Presentation
2. 2014 Meeting Schedule

DISCUSSION HIGHLIGHTS

Barnes: I want to welcome everyone to the January 16, 2014 meeting of the City Council's Economic Development & Global Competitiveness Committee. Thank you for your time today, thank you for the hard work of our staff and the people who are bringing business before this Committee. He asked everyone to introduce themselves.

We've got three items on our agenda; actually two items, one major item and the other two are for basic information. The first bullet point Mr. Kimble is the Modifications to Seaboard Street Infrastructure Reimbursement Agreement. Would you like to begin there?

Kimble: Mr. Chairman, what we would like to do is because we've taken a couple months off waiting for the new Council and the new assignments and the new Committee membership, we wanted to give you a complete overview of all of the items that are resting, awaiting your consideration and your

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recommendation in the coming months. What we would like to do is walk through all of the issues that are here. There are items that have been referred to this Committee; they are going to be vetted over the coming weeks and months by this Committee so we thought to open the air we ought to give you a briefing on each one of these, allowing you to ask all the questions you would like. We want to get as much information exchanged today and get you comfortable with how we move forward in the coming months on all of these issues. Mr. Richardson has a complete presentation, a significant number of slides, some on each one of these issues. We would like to walk you through and we will stop and make it very conversational along the way if you want to ask questions along the way we encourage that.

I. Review of Current Work in Progress

Richardson: Mr. Chairman on the screen I have listed the current items that are in Committee and I've listed them roughly in the order in which they were referred to the Committee, either by the Manager or by the Council. That is the order in which we will go today if that is okay with you.

Modifications to Seaboard Street Infrastructure Reimbursement Agreement

Richardson: The first two are similar in the sense in that they are agreements made in 2006 and 2009 respectively that reimburse a developer as part of the public/private partnership for publicly owned infrastructure. Over time through the use of what is called a Tax Increment Grant, we will talk more about that if you would like and I will talk in detail. The first one was the North Carolina Music Factory Boulevard. You may recall it used to be called Seaboard Street and it was changed to the North Carolina Music Factory a few years back. It was approved in 2006; it allows the developer, in this case it is the ARK Group who developed the Music Factory, a maximum of \$1.6 million in reimbursement for construction of Seaboard Street Extension. We pay for it through annual grants equal to 90% of the net new tax increment over ten years, and I pre-define tax increment area. In the next slide I will show you that map, but I wanted to point that out to you that as part of this agreement the developer is proposing housing and we ask as a City Council Policy directive to include some workforce housing in the mix, up to 70 units of workforce housing and how we define workforce housing are those that suit the needs of a family of four with an area median income of 120%, so roughly \$74,000. Here is the area and we have two pictures, the first shows the tax increment capture area around the North Carolina Music Factory, approximately 30 acres controlled by the developer. It also shows North Carolina Music Factory Boulevard that came out of the development under I-77 and Brookshire Freeway and connected to Graham Street. Opening up that parcel of land for development; about 48 acres back there, 30 owned by the developer and controlled and probably as you know by now the Music Factory is very successful as a restaurant, entertainment office facility with some land to be developed. The required road improvements have been complete. In 2012, the developer asked to modify the agreement because of the delays in building out the full development attributed to the economic recession. We delayed bringing it to you for the third bullet here that they have also inquired and always contemplated the City disposing of an 8-acre parcel of land shown on the map adjacent to the Greenville Community across the interstate. They have asked to be able to purchase that land and include it in the tax increment capture area so any new development in the original capture area as well as some housing they would develop on this highlighted parcel would be eligible to fund that reimbursement of up to \$1.7 million. Does that make sense so far?

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Barnes: What are they planning to do on that?

Richardson: Residential development; the original plan called for 120 residential units sort of right out of the ground that was hampered by the recession, but over time an additional 480, up to 1,000 residential units on this property and then contemplating future expansion across the interstate. They've had close relationships over the years with the Greenville Community, the leader of that community is Tom "Pop" Sadler and we've actually talked to Pop over the last several months just to confirm that he is okay with the apartment complex there and the community seems to be well in support of the Music Factory and the full development.

Fallon: Brad, is that trench for the railroad? Not the eight acres but the general thing with that trench.

Richardson: Yes, the reason Seaboard Street or the Music Factory Boulevard Extension was so important was it provided access around that intersection that grade of those two rail lines. The State has been looking to take some of the Right-of-Way on the City-owned parcels for a couple of years now and we are just waiting on them to determine how much they will need for improvements to I-77, the Louise Wall project if it comes to fruition as part of this as well. That has been the delay in getting it in front of you. We thought we would dispose of the land through a traditional way which is through an upset bid process if the ARK Group was successful in purchasing, we would bring it all to you wrapped together as part of an agreement. We think it is time to move on this now, we are still no closer necessarily to getting that land on the market and there is a clock ticking of April or May of this year. The ARK Group needs to have these modifications considered by Council and in place so they can begin to make plans to build as the economy has rebounded. They've asked for these modifications, we think they are minor and we will position those to you as minor and hope that you will agree that they've requested to extent the start date for reimbursement payment two years, the original agreement said after three years after acceptance of the road you need to start making your request for that reinvestment. The road has been complete now for almost three years, April of this year, and accepted by the City but they haven't built anything out there because of the recession so we think it is reasonable to extend it by two years.

Also the workforce housing requirements were intended to be for-sale housing. They have asked because of the market conditions to make two modifications to the housing component, one is to allow the introduction to rental housing or apartments which we think is reasonable and also as a result modify the percentage of two-bedroom units required. It is really a minor technicality and it really speaks to the nature of rental units versus for-sale housing so we think that is minor.

Mayfield: So when we are talking about modifying the percentage of two-bedroom, are we looking at modifying up or down? What are we looking at for numbers since we have a goal for the City for identifying workforce housing, what are we looking at in this modification?

Richardson: Currently the agreement calls for 20% of all the residential up to a maximum of 70 to be workforce housing so 70 maximum workforce housing and half of those to be two-bedroom or larger. The request is to allow the for sale to become for rent as an option and that two-bedroom option is 50% of the 70, reduce that to 30% of the 70 so it is a reduction downward in the size of the units.

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Barnes: Just clarify for me; they want to have more three-bedrooms or more one-bedrooms?

Richardson: More smaller, as a percentage in the section that would be workforce housing or the allocation for workforce housing, 70 max instead of 35 being two-bedroom or larger, 30% of 70 whatever that would be.

Fallon: Have they done studies to find out why they are doing that?

Richardson: We will ask them over time, it is general market conditions and the proximity to uptown lends itself to one-bedroom apartments more than family bedroom apartments.

Fallon: Also the Music Factory is there.

Richardson: And the nature of the development perhaps.

Richardson: This one is moving faster I think. It is about time to bring it to you. We won't be able to dispose of the land, but our expectation is at your next meeting we will have another discussion about this and the intent at that time if you are ready would be to make a recommendation on the modifications to the Council for consider either February 20th or another date. That is the first project modification so this agreement market condition driven and the potential addition of an additional parks land area.

Mayfield: How flexible is this discussion Brad, regarding this modification? The development of Bright Walk and the fact that they are now having to play catch-up with building new units because they are selling so quickly, almost contradicts the theory they are using and why they need more multi-family and why they need to reduce as opposed to keeping it at the 50% or even increasing that number.

Richardson: It is at your discretion whether you modify so I would say to that it is very negotiable. We would intend at the next meeting where you hear this, to have the developers present to answer these questions directly.

Lyles: I would like for the staff, on the map that shows where the TIF property is, where it is planned to be residential. I remember someone telling me at the Institute of Government for every residential unit, the dollar they pay in taxes and services is actually \$1.50 and that commercial is like \$.50 and \$1.00 so I'm not sure if I understand how this works for residential for Tax Increment Financing. Or at least I'm not sure how you calculate the value of doing it that way and I'm assuming you have, but I would still like to know.

Richardson: The calculation for the purposes of Tax Increment Grant policy that the City has there is no distinction between that type of development. It essentially states that the base line tax value within that capture area, it is captured and locked so to speak at the time of the grant agreement, say it is \$100 million and anything above that regardless of the type of development, the tax value improvement is eligible, just that increment, for the developer to capture 90% of that value over time

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up to ten years. If it is enough to satisfy the 1.7, the grant would cut off early. If it is not enough to satisfy the 1.7, the developer is at risk for whatever is not met.

Mumford: To further add to the answer, we don't take into account the broader services associated with those units and that is something traditionally we haven't done, we just base it on the increment of property taxes associated with the development.

Barnes: One observation I would make is that because the 120% of AMI is \$74,000 and they are reducing the number of two-bedrooms and going down to more one-bedroom, there are a lot of young entry level people who make \$65 to \$70 grand who would qualify and I would suggest that a majority of the Council, understanding what workforce housing is may have appreciated that a little differently. Does that make sense?

Lyles: No, I mean I didn't understand it. It probably makes sense, but I didn't understand it.

Barnes: It may not make sense. What I'm saying is that in dealing with workforce housing versus affordable housing, we are trying to figure out to get people who are not necessarily on the highest of ends of income into some of these preferred areas for housing purposes.

Lyles: Getting the entry level worker that is planning in five years to be making \$60,000.

Barnes: Thank you for boiling that down. Just an observation.

Richardson: If I may, I will move to the next one.

City Park Infrastructure Agreement Overview

Richardson: There is no transition slide, you will look at the heading and you will know that we've moved on. This one is City Park; City Park has a similar infrastructure reimbursement agreement. It was the former site of the Charlotte Coliseum; this agreement was approved by Council back in 2006. It provided reimbursement of the developer for up to \$5.8 million to build a connector road that would connect Tyvola to Billy Graham Parkway similar in nature, a little different in structure. It would reimburse the developer of that road using 45% of the City's new tax increment, not 90%, and that is a function of which area of town it is in and did the Council at the time consider it to be a high priority area or lesser priority area. At that time, 45% governs our use of this policy for areas that are high priority, but not the highest priority. For instance, we've got some grants in place for 90% in the Center City, Midtown; we also have some grants for 45% outside of the Center City in areas such as Ballantyne, this one and a few others. That is the nature of policy, highest priority infrastructure and highest priority areas, 90% infrastructure and less, still priority infrastructure that we would build anyway, but 45%. Does that make sense?

This is the area and what I've done here is the original concept for City Park. If I had a laser pointer, I would show you; this is Tyvola Road, Billy Graham Parkway and then Yorkmont Road. This is a development that included at the time 400,000 feet of office, a couple thousand apartments and townhomes, hotel and retail use. What the City was willing to reimburse the developer for was construction of the connector road that ran along the property line here. It envisioned a realigned

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Yorkmont Road with a traffic circle here to provide some business to have access to the Billy Graham Parkway. That was the nature of this agreement, it was a good priority project for us, it provided for some traffic congestion relief for the ends of Yorkmont Road and provided connectivity through the site. This site was rezoned that encouraged the entitlements of those numbers I share with you about office, housing and retail. This is the site as it looks today. This is Tyvola Road; this is Billy Graham Parkway, Yorkmont Road still running through the northern edge adjacent and alongside Billy Graham Parkway. We had a request about the same time Seaboard Street came in from the developer to modify the agreement because of the recession area affects on the development. The project was moving forward but at lower density so the value that was going to be captured and created would not be enough to cover the \$5.4 million cost of the road, plus the cost of the road had increased as you might imagine over that time. We are still working on this project because of the density of the development and the rezoning that the Council approved back at the time, the developer has got to come back in we think for a rezoning in the future. We are going to delay this one further. We think the appropriate time to talk about these modifications will be at the time of the rezoning. We don't expect any action from the Council at this point in time and we met with the developer as recently as last week. It is on your docket, but we will probably pull it off and just table it for a while.

Barnes: Let me ask you a question, I haven't been out there is a whole. Are those apartments that have been built?

Richardson: Those are the apartments.

Barnes: If I might defer and put you on the spot for a moment. Ms. Mayfield, can you talk to us about the nature of that site now?

Mayfield: Actually Brad and I went out and walked the development in October of last year so from what we anticipated with previous leadership and as Brad just mentioned, it is not as big as anticipated but it is looking really good. When you drive up Tyvola, whether you are coming from Billy Graham or coming up from Midtown that is really looking nice out there and they have a cut through because you know we have the Farmer's Market off of Tyvola. They have a cut-through into the Farmer's Market and also created bike and walk lanes to try to connect so you don't have to go back on the main road to try to get to the Farmer's Market. They have really taken into effect with this development how they are incorporating the immediate area as well. With just the walkability and the design of it when you are driving by, you are seeing something that looks very interesting. That Target really I think Brad is the fact that we IBM, the Art Institute, multiple businesses right there. A lot of people don't realize that a lot of corporate headquarters are right there off of Tyvola Road. That right there is going to be the target audience for people who want to live close to where they are working.

Barnes: Are those apartments fully leased?

Richardson: That is a good question, but I don't know the answer to that.

Mayfield: I have not talked to them in about three months, but the way it is looking, it is looking really good because an example further up the street, White Hall Park, when we did the ribbon cutting

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for White Hall they were already at 90% capacity and 93% is considered full capacity. They were already past there at 93 and they had just opened up in December so this area they are being snuffed up rather quickly.

Fallon: Isn't the York market going to be moved by the State?

Richardson: No mame, our last conversation was they appointed a new market manager, Mr. Fred Cole to reinvigorate, expand so there is no indication on our part that the market is going to move.

Fallon: That was just a suggestion before?

Richardson: Yes, and I point out that the momentum of the development is good, the developer is very excited about the plans, there are several contracts and most notably is a 300-room hotel that should be announced if the deal is signed in this quarter. This is retail pad that will be 16,000 to 18,000 square feet of retail and Lincoln Harris will be leasing this for the developer. This will be office; there is some potential office buyers out there for the development of office and as a future residential, more townhome and apartment development here with single family residential. The developer is very bullish about the project this year. Obviously some deals have to close, the crux of this for us and for our purposes at least there is a rezoning that will be required to unlock the rest of the entitlements and then we will have the issue of what to do with the Tax Increment Grant as it relates to the road. The road will be great, but the road is expensive and the development won't be able to cover the full cost of the road.

Energy Strategy

Richardson: I've changed subjects again to the Energy Strategy. This one will be just slides, no pictures because of the strategy document. This was included in the Focus Area Plan for FY13 and FY14 so it is still a project that we are working on. The goal is to determine the City's role in a comprehensive energy strategy and you see the bullets there, how do we accelerate economic growth in this industry; what are policies decisions that the Council can make; what are partnerships that we need to employ. We met at the Committee level once on this topic last year and had Scott Carlberg with the new non-profit industry cluster support group, called E4 Carolinas come in and talk. The main conclusion at that presentation was workforce and the skilled laborers are what we need to grow this industry. We expect to come back to you this spring with an update on this and a more recent announcement from Manager Carlee, recently moved Rob Phocas to our department and it makes sense to us and I think it makes a good move. Rob is going to help us facilitate and flush out this Energy Strategy for the community. So more to come on this.

Eastland Redevelopment Overview

Richardson: I've changed subjects again to the Eastland Redevelopment. In 2012, we bought this site for \$13.2 million. In May we began a demolition contract for \$871,000 and the demolition is nearly complete; should be complete in the next couple of months. In August 2013, Council authorized the Manager to enter an MOU (Memorandum of Understanding) with Studio Charlotte Development to develop a possible development framework. It involves an analysis of their full financing plan and funding gaps that might require financial support.

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Barnes: Do you have updates on any of those bullet points?

Richardson: I sure do. If I might just show you the site as a reminder, this is the site we control, 80 acres. This is the City of Charlotte proposal, the orientation of the site is a little bit different now, but that is Central Avenue of the big picture in the middle, you see the Film Studio complex because it is easy to pick out because it looks more like an aircraft hanger type environment with retail housing, commercial and all that built in on the frontage. This is the same proposal that was submitted to the Council and the Committee earlier in the year, or last year. The MOU is important and it runs through March 31, 2014. We are asking for these things and we will make an educated decision about the feasibility of the project; where is their equity; where is their debt sources; how will it be used; what is the phasing of the development, the master planning of the site and there is still the lagging issue of the film tax credit which the industry is arguably dependent upon, the growth of the industry. It is set to sunset at the end of this year. We want to do an impact statement from the City of Charlotte on that eventually whether it is extended or not.

We gave an update to the former E.D. Committee back in November and these were the general conclusions that Studio Charlotte will request the contribution of the land to the deal and reimbursement for infrastructure through that same Tax Increment Grant we discussed a few moments ago. We shared the construction numbers that were very broad estimates and are in need of refinement. The conclusion we drew from an early look was that the County needed to be involved with that tax increment formula because they participate often and carry about twice the weight of the City's dollar for the proportional tax rate, so they need to be involved. They met with the County staff in the last weeks, since the November meeting and they continue to seek equity investors and alternative sources of funding for the projects. This is from a meeting earlier this week; they have not yet defined the construction costs so we've been unable to do much analysis on the construction costs, the financing, how the public gap, if there is one will be filled or the revenue model projections for the site as well. We are still waiting on more information on those points.

Barnes: Any indication regarding when you might get the more refined information?

Richardson: We think we will need them soon; it will take our staff some time to work through the numbers and as I pointed out earlier, the MOU extends to the end of March so we are about ten weeks out and we will need to have them fairly quickly, and we've shared that with them.

Mayfield: Brad, do we need to have a conversation about extending that MOU deadline since they are not able to get some of the information that we are going to need in order for Council to come up with a decision that is going to benefit the City the most?

Richardson: I don't think so in terms of the numbers we need. Studio Charlotte assured us Monday that they would be able to meet our requirements for getting the data and analyzing it. Any talk of an extension would likely have to do with the film credit, as critical as that is, if we are able to reach a deal with Studio Charlotte that we find acceptable. We would need to know how Raleigh is going to position itself on the extension or not of the film credit. We've been assured that the numbers we need to do our analysis would be ready in plenty of time to have the Council make a decision by the end of the MOU term.

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Mayfield: What we are looking at is not having a decision until May from Raleigh to know what is going to happen and if we are looking at our March deadline but Raleigh is not coming back in session until May, what is our plan?

Richardson: Our plan is to see if the project is feasible. Right now we can't answer that question for you either on the construction costs side, the operating revenue side, there is not enough information at this point that we've seen to give us assurance that we will be able to strike a deal. We also need to see their sources of funding; equity, debt, alternative sources such as New Market Tax Credits, as an application process. Those are the things that have to start flowing into our office fairly quickly so that we can be in front of you February 20th perhaps with an update.

Fallon: I get the impression and I hope I'm wrong that they are totally dependent on that 25% in order to raise any other money or have any equity. Is the State going to participate in any way?

Richardson: We've not had any indication that the State would be approached as a partner in the development other than as we said the part they would plan in a film tax incentive that would draw business to the facility.

Lyles: It would be helpful for me because I don't know about all of these proposed sources, so when you come back with a report, if you could just give me a brief description of the film tax credit, every two years renewed by the State, is it a four-year; that kind of information. I don't know what the other major sources are besides the routine and regular one. For me when you come back just help me understand what the sources are the volatility, the stability, all those kinds of things would be helpful.

Austin: This could be that this has already been communicated, the economic impact; the job creations and the amount of money. Has that already been communicated?

Richardson: In the proposal there is some economic impact numbers on the value of the film industry. A few years old not, 2011, I believe. Those numbers we think are valid; the industry is strong in our community and needs to grow. The proposal that we received from the City of Charlotte also included some projections and impacts of jobs, revenues, visitors to their event center on site, those are the numbers that we feel are a little more dubious because we can't see the numbers behind them so that is what we are working toward.

Austin: We are confident that we will have that by the March deadline?

Richardson: They have assured us that by the March deadline is good for this information and any request for any extension of the term would be for the tax credit decision in Raleigh to be further understood.

Applied Innovation Corridor Overview

Richardson: I'm changing subjects again. This is the Applied Innovation Corridor. This item was referred to Council following the adoption of the Community Investment Plan that will be voted on in

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November. A little background; the term was coined in the Center City 2020 Vision Plan, a Council-adopted Vision Plan. It recommended the City target development efforts in the area between the University and the Center City so while we consider this the entire Northeast Applied Innovation Corridor, what we are really thinking as the applied innovation area is the area to the south, sort of the area in the yellow circle. That is a blow-up of it here so what I thought I would do, just as a reminder, we will be working over the next year to flush this out; it will come to the Committee a little bit later. Let me share with you what the projects are, but as a reminder these are things you approved in the Community Investment Plan. In addition to the \$10 million investment along Graham Street, largely industrial street, minimal room on either side for development, overhead utilities, how can that street be repositioned to be more attractive for pedestrians and offer a mix of uses. North Tryon Street has some connections; how do you connect neighborhoods better with some street infrastructure? Matheson Avenue has an attractive view of the skyline that folks rarely see because the road is not wide enough or conducive to connecting North Davidson to North Tryon. A small intersection improvement here to line up the intersection could be a retail corner for the neighborhood. I will point out to you that we've got a lot of partners involved. You know that the City Fire Station investment is here; Charlotte Housing Partnership has developed Bright Walk from Double Oaks. Vision Ventures, Mt. Vernon Capital, a name you might not be familiar with, a large land owner assembled about 80 acres in this area for new development, then the Charlotte Housing Authority owns a current neighborhood, _____ Courts. The City has a Statesville Road landfill right up near the interstate and the convergence of two interstates in a city like this is pretty phenomenal so what can you do in this area to grow jobs and reposition this community for job growth. Our path forward is this; it is an Urban Land Institute Technical Advisory Panel; we got them scheduled to come into our community, five or six national experts, they are going to take a look at the area with fresh eyes, fresh vision, learn about our community and then spend some time with us making recommendations for how you might move this plan forward. The good news is we are going to have some funding partners to help us pay for this study and participate with us in the study. I've listed those here so we think the Committee sees this during as a participant in the ULI process but also working forward up to and through the bond referendum in November.

Kimble: The action to contract with the Urban Land Institute for this effort will be on your January 27th Council Agenda. It is a \$125,000 study and all of these folks that are on the screen are funding partners with us. You will see the complete funding breakdown because they will have a seat at the table as a steering committee. When an Urban Land Institute Technical Advisory Panel convenes they spend the first couple of days interviewing tons of people, residents in the area, land holders in the area, community leaders, many of you may be interviewed. You can watch this process and it looks like the last week of April is when this will take place. It is a weeklong burst where they come in on a Sunday night, these six to eight national experts, they interview for two days, then go to work for two days, looking at strategies and visioning for the area. By Friday, they come out with a draft report and within 30 to 45 days after that they come forward with their final report. It is a great visioning exercise strategic direction and can help us as we move forward to your Community Investment Plan implementation over the coming bond referendum.

Barnes: Let me ask you a question about that. Our staff has clearly done some level of a dig when you recommended this to us in the CIP?

Kimble: Yes.

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Barnes: The expertise that you used to make the recommendation for this general geography a couple of years ago would still be valuable today so how much of a dig are we going to be doing in April compared to what we did two years ago?

Kimble: I think the beauty of this is you get more national experts coming and giving you maybe some new ideas, some creativity, some things that maybe you hadn't thought of that add to the types of things we did two years ago to bring this area forward, so it is making sure that the market today might be a little bit different than the market was two years ago. It also helps you do some market assessment in current day times and that is important as you move into a bond referendum to say here are some things that could happen based on current day market conditions. The good thing is we have a rather large land owner who has assembled land who is willing to put good money, matching the City's. Our participation is \$40,000 and they are putting in \$40,000 from the land holders and land owners. We've got a great partnership with lots of players at the table to generate the freshest ideas.

Barnes: The contract is for \$125,000 and our portion is \$40,000?

Kimble: Right, and you will see all of that on your January 27th Council Agenda.

Fallon: We used them for the Red Line and we used them for Independence?

Kimble: And for West Trade, Beatties Ford Road with Mosaic Village, the Urban Land Institute. They are the think tank, they are the best practices organization, respected nationwide and internationally for quality development and sustainable development in communities across the globe.

Richardson: The next item is the Immigrant integration Task Force.

Immigrant Integration Task Force Overview

Richardson: This was most recently referred to Council at the end of last calendar year, I think on November 25th. It is an inter-agency task force; how do we better integrate immigrant populations into our community is the question. Twenty-five members appointed by the Mayor and Council, seven by the Mayor, the balance by the Council. A one-year term of work; our office as well as the Charlotte International Cabinet, which is an advisory board to you on international relations, is sponsoring this, doing the back-up work and support. That is why Alexis Gordon is here today; she is part of this initiative. Mayor Kinsey made these appointments before leaving office. These were her seven and I will point out that a couple of these have experience in immigration law. It was an area of expertise that we thought was needed as well as refugee resettlement and some industry sectors, healthcare system and a food service company. We've sent out letters to agencies that the Council asked us to; we recommended some agencies around the community. Those letters are coming in now and we should have a full slate of recommendations in time for your February 10th meeting and that is where you will adopt the slate, we hope. That will set us off to a year's worth of meetings. Much of the conversation has been how can you have 25 members really represent every immigrant population. Ms. Mayfield, I recall that was one of your questions so I wanted to emphasize early meetings with Mr. Latorre and Ms. Zimmern about the formation. We've emphasized and they have

agreed and heartily champion the fact that the first 60 to 90 days or even six months likely will be working to the community outreach, public input, how do you get the voice of every immigrant and stakeholder into the process so the process looks like 120-day discovery, summertime probably heading into some quiet work sessions and some small groups testing some findings in the fall of the year and we think they will be in front of you quarterly. That was our plan so quarterly updates from this community is what we would expect.

Bojangles/Ovens Redevelopment Proposal Overview

Richardson: The final one for today as far as the Committee referral is one you saw most recently, Monday night when you authorized us to purchase the Econo Lodge. I want to give you the reminder of the policy overview of this, why we are doing this. It is the Focus Area initiative that asks us to drive amateur athletic growth in our community. Ron spent some time at the Council Dinner Briefing on December 9th talking about the economic impact of amateur sports, talking about the partners that are involved in this. You'll recall that we have a proposal entering GoodSports Enterprises for 100,000 square foot in-door recreational competition facility; multi-purpose an adjacent and connected hotel with retail and structured parking. GoodSports is a subsidiary of a larger company that has a lot of holdings and experience in real estate and hotel development. This is a fairly new concept; they are rolling out in a few communities where it pairs an amateur athletics facility, in-door field house concept with a hotel that caters to those teams with retail as you might expect in those venues.

The site plan is this; the area in yellow is City-owned land. You will recall Monday night we talked about the area to the east or to the right hand side of yellow and the Econo Lodge property that we will be acquiring and closing on in the next few days. You see it will also include some adjacent land that we don't own so we are talking to property owners in the area that we don't control to see if we can control. All of this is funded by the Capital Improvement Plan, the certificates of participation that Ron talked about Monday night. This is an elevation of it, looking from Television Place, which is entrance into a motor lobby. I should say at this point, these are very early concepts. We've got a lot of work to do before you see this probably in the spring, on siting the facility, working hand in hand with the Charlotte Regional Visitors Authority who run and operate the two publicly-owned buildings for us. That is a sketch of what the in-door might look like. Preliminary estimate is \$72 million; these numbers are what I shared with you back on December 9th. As a model they typically request that the municipality partner at the 25% level. We have about \$21.4 million after we purchase and demolish the Econo Lodge so the balance of the funds we have can be used for future other property acquisition or partnering with GoodSports on the gap financing for the project.

Again, we are working now, we begin negotiations in a couple of weeks and then we will be back to you in the spring with an update and looking toward a recommendation.

Barnes: I noticed in the information on Monday night that GoodSports has not completed one of these projects in the country. Tell me what you are going to be doing during the negotiations to provide the taxpayers throughout the City with an out if this starts going south?

Kimble: In all public/private partnership agreements that we've developed, each one of them is different. They have tweaks and nuances, but one of the longest and hardest and most difficult parts of them is what happens if the deal goes south. There will need to be significant portions of the

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negotiations dedicated to that very topic. We don't know what their needs are, but we know that our needs are to protect the public's interest and protect the public dollars in this. I can't tell you exactly what that will look like, but I can tell you it will be long, deep and laborious negotiations to make sure that when we bring something back to you, we can describe to you what that protection looks like and how we can make sure that we don't go too far forward without the ability to get something back as a result of your investment of dollars to that point if the project was to fail at an early stage or what happens if it fails at a later stage after it opens and then might fail after two or three years of operations. You've got to look at default provision all along the spectrum and they are big negotiations.

Barnes: With regards to the 25% that they are asking for, do we know if they are unable to put in even more? As far as I'm concerned we've bought the Econo Lodge, we are going to clear that and we've continued to make investments in the Coliseum and in Ovens over the years, so the City and the taxpayers have constantly put money into that area and they are asking for up to \$18 million at this point. What sort of assurance do we have, if any, that they can't cover more of that themselves?

Kimble: That will be what the negotiation attempts to uncover because our goal as staff, like your goal at the Council level is to invest the smallest amount of public dollars as a gap and leveraging tool to make the development happen. We have to look at business pro forma, we have to look at and ask a lot of hard questions. We need to ask lender questions, we need to ask equity questions, we need them producing information for us so that we can look at it and make some sort of determination. Our goal is the least amount of public dollars.

Austin: I just echo what you said Mr. Chair, I'm very concerned about the fact that this is their first venture of this nature so I'm very much concerned that we have some protection for the citizens. This is a big stretch and I'm concerned that we only got one entity that responded to our Request for Proposal. It doesn't speak volumes about our ability for amateur sports maybe in this area and maybe it is not, but the protection is what I will be looking for.

Mayfield: Thinking about what Mr. Austin just noted, have we had any kind of consideration or conversations about opening the bid process back up? I think we do need to take into consideration the fact that we have this one bidder; they do not have a proven track record. We are looking at a substantial investment from the City of Charlotte and in turn from the citizens of Charlotte. It is not unprecedented for us to open the process back up because we have done it previously within the last two years. Has there been any conversation about looking at opening the process back up to see if there really is an interest from other developers? That is something that we need to take into consideration. If we had several groups out there then I would say there is a real interest in this besides our interest, especially when you are looking at the amount of money that is going to be requested from the City.

Kimble: I will give you an answer and then go back and say why. No, we don't believe we should open it back up, but here is the reason. We just went for Request for Proposal in October so it wasn't that we went two years ago. We've been searching the market place, we've been shopping this locally, State-wide and nationally for a couple of years since the birth of the Community Investment Plan and the notion that the Oven and Bojangles site was a great site for redeveloping Independence Boulevard, for having an anchor redevelopment that could help spur some other redevelopment in the

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area. I really think we've got some great reaction to the fact that we are giving new opportunity to this area. We did get just this one proposal, but they have linked up with some very quality local folks in their proposal so it is not just GoodSports, it is the team that they have assembled that gives us more confidence and more feeling that this is a team that we want to work with to see if we can get to a good product. You and only you will be the determinant of whether or not what we are able to negotiate is something that looks, feels and smells and is in codified documental language something that you are willing to go forward with and we will need to talk about the risks that are out there in any proposal with any group we would want to do. GoodSports is a very talented group in terms of hotel development. This is a new venture in a combination hotel, retail and field-house concept but it is one that I think with the team they have assembled that we feel real good about all the components of the team and not just GoodSports. We went to a formal Request for Proposal, we advertised this nationally, we advertised locally and we wanted to make sure that we put out there that we invite all comers. We invited and this is the group that submitted as a result of that nationwide search, and it was just recent. We also had Councilmembers come to us and say, what about this group, they've contacted me. We purposely sent the RFP to those groups as well so I think we did a real good job of making sure we tried to penetrate where we could and it was just done three months ago. A long answer, but that would be our perspective. Clearly we are not in control of this process, you are and we would defer to the Council for what you would want to do.

Fallon: I will ask what I always ask, as part of our contract, are they going to have some kind of a clause that says if it doesn't go through the land is ours at what they paid?

Kimble: Our concept going into the negotiation is this is a land lease, a ground lease to them to build on top of land that we own, therefore the privately built improvements pay taxes and therefore we are creating the ground lease for this and we don't sell the land to them, we ground lease the land to them. That is what we are going in with. That will be our first venture and our first opportunity to have the level of negotiations, but that is the concept we feel. We have to evaluate how all these facilities operate in conjunction with one another so even the siting of the exact field-house is not yet locked in stone. That was a concept plan that they sent back to us, but we are intrigued with the depth of the proposal, the thoughtfulness that went into the proposal. They really did some great work in putting some concepts down in their proposal, if you've had a chance to see it. I think we made the proposal available to all Councilmembers. If not, we will do that so you can read the entire proposal, but it is a well done proposal.

Fallon: So it is going to be a lease, not a buy?

Kimble: That is what we are going in with. If it is going to be different, we will have to evaluate that and it is not something that we would be doing as our first choice. A ground lease is our first choice.

Fallon: For how long?

Kimble: When they are looking at lenders, the lenders are going to look at the length of that and 50 years is probably the minimum amount that lenders; I think it would be tough to get 30, but I think you are probably in the 50. For instance, I think the NASCAR Office Tower is a 99-year lease for a dollar, but look what was created with the 99-year lease for a dollar that has 400,000 square feet.

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Fallon: Are there restrictions if they can't do it and they have the lease, what they can put there or what they can lease to secondarily?

Kimble: All part of the negotiations. We will make sure that we tie down as specifically as we can the conditions upon which they must perform and if they don't meet those conditions what happens if they meet those conditions.

Fallon: Basically, this is really tied to getting down that bad hotel, the one that we are going to demolish.

Kimble: Well, the Econo Lodge hasn't necessarily been a bad hotel to this point, but the land is needed because if we are going to put another field-house building with Ovens and Bojangles, it is going to displace current surface parking in order to allow those facilities to operate while the new construction would be going on. We would need other places to park people so the Econo Lodge property is needed because of the surface parking primarily during construction of a new field-house, but also be added parking that is needed when you add 100,000 square foot field-house and the extra parking that you need. Part of that parking will be satisfied with the development of the field-house, but some of it may be satisfied with the Econo Lodge property.

Fallon: And a new hotel?

Kimble: And a new hotel; new retail, new 100,000 square foot proposed, it is going to be exactly 100,000 square foot. That is what it takes to put eight regulation size basketball courts in a facility so we want to make sure that we are looking at the market to see what we need to capture the market and making sure the facility is sized appropriately and we have experts with the Charlotte Regional Visitors Authority who do this routinely in the sports market.

Austin: Earlier you said GoodSports partnered with several organizations. Are you able to share who those others are to see if I feel comfortable with them as well?

Kimble: They will be in the proposal and they are Odell and Associates, who helped on the baseball stadium. They've done some great work and I think they did the original Coliseum. They have been very prominent nationally. They are also engaging a construction manager as part of their team that is in the proposal, a guy named Jim Schumacher, who is very skilled at bringing projects home on time and within budget whether they be public projects or private projects, so they have assembled a great team, both on the construction side and on the design side.

Lyles: I wonder if it would be worth the Charlotte Regional Visitors Authority (CRVA) providing us passes to the cheerleading and the volleyball tournaments that are coming up. The cheerleading one I think is this weekend. It is downtown and I think this is the kind of thing that when people talk about amateur sports, the volleyball one is in March and I'm a little bit surprised because you are building this hotel and right now Center City hotels and limited service hotels do a boom business in this. If you've ever been to Hampton Inn on the day of a cheerleading conference you don't want to go again, but I think you also know that they are at 100% probably over that. The real question is are we attracting, do we have the ability to attract the limited service hotel facility and market in the area of amateur sports? I really think it might be good for the CRVA to give everyone passes.

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Barnes: Where downtown?

Lyles: They are at the Convention Center now. They are using the Convention Center and we get cheerleaders and volleyball players because the Convention Center can do that. We don't get the basketball which is a huge three on three stuff and the basketball world is huge now. I think we had only Grady Cole and I think they use First Ward to do some of that, but we are not getting the kind of play we can get in those areas. It is a very big business. Anyone that has a kid in AAU ball or wrestling or anything, tennis, until you go to one of these things you are just absolutely amazed at the number of kids and the number of parents who travel with them. We always talk about these things in abstract, I think we ought to go see them sometime, experience them so that we would have a better sense of what we are trying to go after.

Kimble: I think it is a great idea to see it with your own eyes and we will work on that with this weekend. What I would like to say is Mr. Barnes has already asked that when we bring this item forward that we also talk about the opportunities. Where can we hit the market? Where are we trying to achieve and just thinking out loud there is like 40 different types of sports from judo to koradi, to cheerleading, to ping pong, to in-door tennis, in-door soccer, in-door lacrosse, basketball, volleyball. The lists goes on and on and you would be astounded at the number of sports that travel throughout this country on a monthly, weekly and daily basis and the beauty of amateur sports too for your commercial enterprises, such as hotels and restaurants, they are traveling during the need period, the period when these hotels and restaurants are not filled to their 100% capacity so it is making your existing businesses stronger as a result of the influx of new spending that comes to your community associated with amateur sports. It is a very powerful and you have to do it right and that is what you are asking us to do it right and that is our charge and our mission to make you proud of what we bring back to you that does it right. If you do it wrong, you can shoot yourself in the foot and get a bad reputation; you need to do it right and get the great reputation and get the spending that comes with amateur sports coming to the community.

Fallon: How does the complex that South Carolina built impact this?

Kimble: There are complexes all over the place in America. I don't know where in South Carolina you are talking about. We visited maybe four or five different venues that we thought were compatible venues. These are being developed all across the country. Indianapolis is a big mica, Orlando is a big mica.

Barnes: I think she is talking about the softball complex that is just across the line.

Fallon: Yeah, the new one, right.

Kimble: Softball – out-door amateur sports. This is in-door field-house amateur sports.

Fallon: Do they have a tennis complex because I understand that is a really big one?

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Kimble: Tennis is in need right now of additional courts and we are looking at that as a future venue. When we did the Panther's agreement recently and amateur sports was an issue, we talked about all the different kinds of complexes for amateur sports that we needed to build in the next 15 to 20 years. Swimming with the Mecklenburg Aquatic Center is big in-door. The Sports Plax in Matthews is huge in terms of soccer and lacrosse and rugby, other places that can use that facility and we are trying to develop all these different kinds of in-door and out-door amateur sports facilities that we can grow our base as an amateur sports magnet. It is all coordinated; it is all part of master plan to say we are the hot bed for amateur sports in a 300 to 500 mile radius.

Barnes: Let me ask you a question about this, kind of being new to some of this topic. So GoodSports will own the facilities that they are building and the City will continue to own Ovens and Bojangles, the CRVA will continue to manage those two properties? Will the CRVA have any management activities with the new facilities?

Kimble: Probably not, that is something we need to work out. What is the co-marketing, what is the co-booking, what is the relationships of Ovens and Bojangles to the use of the field-house and in reverse, can we use the field-house at times when we need it for major events that can get bigger and better at Ovens and Bojangles and they will certainly use Bojangles because the Bojangles Coliseum seats 10,000 or 11,000 people. You could have most of your tournament games over the first four days in the field-house and then have your championship games in all of the age divisions in Bojangles Coliseum where you can seat all the people for the championship games. These facilities work in partnership with each other and we have to figure out that, but ownership by them would most likely just be the field-house. We would retain ownership of Ovens and Bojangles and then you figure out how the booking, the marketing and the operations occur between and among the facilities.

Barnes: My wife and I have had our son in flag football, tennis and basketball, matter of fact he is currently playing basketball. It is at the church and they have a nice facility and on Saturdays a few hundred parents and children flood into the building at different times for games and then we all flood out and leave. So GoodSports will be charging a fee to local or non-local entities that want to have games and tournaments there. Should we seek some sort of adjustment for local groups because there are a lot of smaller non-profit entities in the City and some of our distressed areas that would love to be in our state of the art facility and may not be able to afford. I don't know what the market will be for the rent there and they may not be able to afford that, but should we seek some sort of adjustment to help with that.

Lyles: I think it is probably good to have your ability to have your community participate in something that works. I would agree it ought to be a negotiating point; however I will point out that these are probably the parents that pay for the coach to keep their children in an elite sportsman like activity. That is likely to be their market but I also think we can create that City and community contribute and give back by creating our own opportunities for our teams to do that so I think it is a great idea.

Barnes: You got my point. It is something to think about. I look forward to and I think the Committee looks forward to getting more information. Any other thoughts or questions about this item? I do have one more question – go back two slides for me. That building obviously takes up

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most of the current parking behind Ovens and Bojangles? If you have an event, the championship games in Bojangles, where are people going to park?

Kimble: There is in this concept and in their \$72 million total all in proposal, Brad are there 1,500 parking spaces underneath the hotel and the field-house so some of it is below ground and some of it would have to be above ground.

Barnes: How many are they taking up with the building?

Kimble: Less than that. I think it is 800.

Mayfield: We are thinking about the comment you just make Mr. Kimble as far as the parking possibly being under the hotel. Would those attendees be paying the hotel parking fee because there is a big difference now? One of the things that make Ovens and Bojangles as good as it is for the community is that it is affordable. It is affordable to attend events; it is affordable for the parking. If we were to move forward and for complete disclosure to the Committee, I still have concerns that if this is such a great project and if we've received so much energy around it that only one group has come forward whether it has been in the last three months and the fact that we went out seeking as well as opening the door, that if it is that good of a project why we haven't had more people come knocking on our door wanting to present a project. I have a concern about us now getting to the place where we are pricing out people to have access to the entertainment that we say that we are trying to bring for the citizens. If you look at just the last few years some of the projects that the City has supported financially are not accessible to a lot of the residents. They are great for visitors, but for the residents it is not as accessible as it once was. Are we really taking that into consideration also as a Committee as well as staff when we are having this conversation?

Kimble: We will need to do that. There are two different purposes for the amateur sports facilities, first and foremost in order to make them financially successful they need to book regional and national events to bring that kind of operational support to them, but then after you have filled your calendar to the greatest extent possible for those money producing events, then you need to backfill all your other calendar time to local community events. How do you do that? How do you access the residence of a community for church leagues, recreational leagues, how does Mecklenburg County come to the table with their leagues and how do you make it affordable for the residents? You have to figure all of that out, but first and foremost you are building them to bring other money into the community to support new job growth and development and making your existing businesses healthy and then they serve a second, very important dual purpose. They can serve your residents very well with the kind of team sports that can also play here on a recreational clinic basis. You might have a medical, a health facility, a nutrition facility in here. You may teach young people the right ways to take care of their body. You may have all kinds of things that are married up with this and we are in the early stages of having the conversations with GoodSports. Another reason why it has been difficult to get anybody is because lenders after a down economy for five years from 2008 to 2013 have not fully loosened up their grip yet and it has not been easy for hotel companies to get lending. This company has assured us and we will see that, that they are able to get the financing necessary for this and that is because of their track record of having built 54 hotels in their lifetime. They are a known group that evidentially has been able to secure financing for this kind of project.

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Austin: They still haven't done this type of project before.

Kimble: That is correct and around the country what you have is usually individual local developers that are doing that for their own community, so one question would be why didn't we get any local developers doing that. They have sized up the lending, they've sized up the financing opportunities and this is the one that came forward and said we see promise here.

Barnes: For the benefit of the audience, there are as you have seen among the agenda items, there are things that have ranged from almost the time that I got on Council to just the last few weeks, and the level of our engagement on these topics essentially depends upon how old the item is so this item is something that the Council took some action on Monday night. It is in the CIP and we have just begun to sort of get started on it so the conversation is a bit more involved. The discussion on Eastland, for example, was more of an update and I think during our next Committee meeting, we will have more information and certainly on the February 6th meeting. During that meeting, I think we should have even more information on that topic. In case you are wondering why we spent more time on this than some of the other topics that is part of the reason why.

Richardson: My final point is that the Committee referrals drive the activity here. We also have sort of standing referrals meaning that we owe you updates periodically on several things. Two of the most important are Charlotte Business Resources.com; small business web portal developed 2 ½ years ago, recently redesigned launched softly in the summer, a bigger campaign starting in the fall; 12,000 unique visitors, this is small business web portal. Any question you have on how to start and grow your business, you can find it here, 14 community partners are involved in this project and we are managing it in our office. Charlotte Business INCLUSION, you will get quarterly updates on the progress of the MWSBE procurement program. The good news is they are ahead of track for registering minority businesses; we have a target of 400 by the end of June. We are 220 as of this morning and you will start to see Council Agenda items reflect minority women owned goals overtime as well. You will receive updates on these two important policies and programs.

II. Approve 2014 Meeting Schedule

Richardson: We just need the formality of taking a look at the calendar and formerly adopt the calendar. In this room the first and third Thursday of the month with just a few exceptions in the summer time.

Barnes: Any questions about the meeting schedule for this year?

VOTE: Motion was made by Ms. Mayfield, seconded by Mr. Austin, and carried unanimously, to adopt the proposed meeting schedule for 2014.

III. Next Meeting Date: Thursday, February 6, 2014 at Noon in Room Ch-14.

Richardson: We try to preview and best guess we can what you might expect to hear the next meeting. At the time of writing this, I think I told you a moment ago we are going to negotiate hard with GoodSports so I don't expect that to be on your agenda. I do expect the Seaboard Street, N.C.

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Music Factory item to come before you with potential action and we are working through potential other items that might show up on your agenda.

Motion was made by Ms. Mayfield, seconded by Mr. Austin to adjourn the meeting at 1:15 p.m.

**Economic Development & Global Competitiveness
Council Committee**

Thursday, January 16, 2014 at 12:00 noon
Room CH-14

Committee Members: Michael Barnes, Chair
Vi Lyles, Vice Chair
Al Austin
Claire Fallon
LaWana Mayfield

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. REVIEW OF CURRENT WORK IN PROGRESS – 60 minutes

Staff: Ron Kimble, City Manager's Office

Action: Staff will provide a brief update to the Committee on the items that have been referred to the Committee and continue as "work in progress" for 2014. The update will include a general overview, key issues and an anticipated schedule for Committee review. No action is required.

- Modifications to Seaboard Street Infrastructure Reimbursement Agreement
- Modifications to City Park Infrastructure Reimbursement Agreement
- Energy Strategy
- Eastland Mall Redevelopment
- Applied Innovation Corridor Strategy & Planning
- Immigrant Integration Task Force Schedule & Process
- Bojangles Coliseum/Ovens Auditorium Development

II. APPROVE 2014 MEETING SCHEDULE – 5 minutes (Attachment)

III. NEXT MEETING DATE: Thursday, February 6, 2014 at Noon, Room CH-14

Tentative Schedule:

- Bojangles Coliseum/Ovens Auditorium Development (overview of proposal)
- Modifications to Seaboard Street Infrastructure Reimbursement Agreement



Update on 2014 Work in Progress

Economic Development & Global
Competitiveness Committee

January 16, 2014



ED & Global Competitiveness
Work in Progress

- Modifications to NC Music Factory Boulevard/Seaboard Street Infrastructure Agreement
- Modifications to City Park Infrastructure Agreement
- Energy Strategy
- Eastland Mall Redevelopment
- Applied Innovation Corridor Strategy & Planning
- Immigrant Integration Task Force Schedule & Process
- Bojangles Coliseum/Ovens Auditorium Development

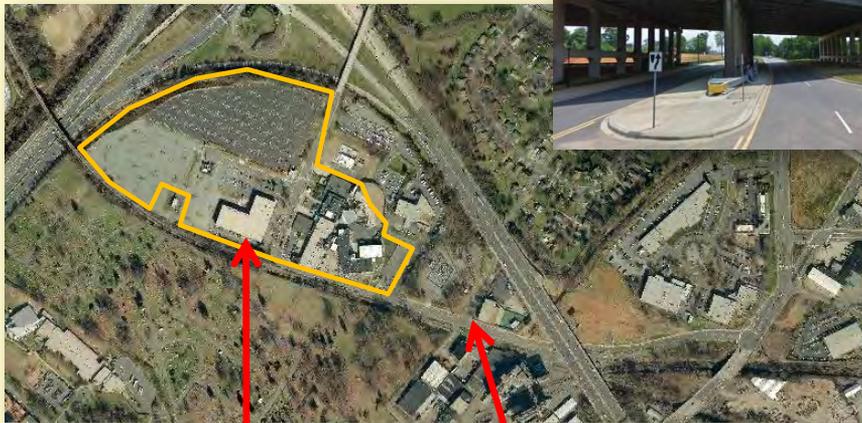


NC Music Factory Boulevard Overview

- Approved by Council in 2006, the Agreement provided for the realignment and extension of Seaboard Street (now NC Music Factory Blvd).
- Allows the reimbursement to the Developer of up to a maximum of \$1.7 million for road construction.
- Annual payments are equal to 90% of the City's "new property tax increment" over ten years in a pre-defined "tax increment capture area"
- Developer is required to provide workforce housing as part of the new residential development.
 - Defined as 120% of the Area Medium Income.



NC Music Factory Boulevard Overview



Tax Increment Capture Area

NC Music Factory Blvd



NC Music Factory Boulevard Overview

- Road improvements were completed and accepted by the City in 2011.
- In 2012, the Developer requested modifications to the agreement due to project delays caused by the economic recession.
- Developer also requested the opportunity to purchase an 8-acre parcel from the City to include in the "Tax-Increment Capture Area".



NC Music Factory Boulevard Requested Modifications





NC Music Factory Boulevard Requested Modifications

- Extend start date for reimbursement payments by two years (from 2014 to 2016).
- Allow workforce housing requirement to be satisfied by rental units as well as for-sale units.
- Modify the percentage of two bedroom units required.
- Include additional parcel in Tax Increment Capture Area if acquired from the City.



NC Music Factory Boulevard Process and Schedule

- Committee review and discussion on February 6th.
- If ready, the Committee may make a recommendation to City Council for consideration at the February 20th Business Meeting.

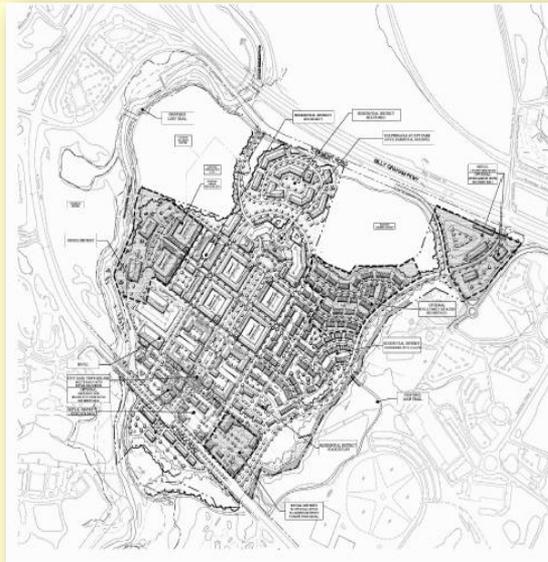


City Park Infrastructure Agreement Overview

- CityPark is the former site of the Charlotte Coliseum sold to Pope & Land in 2006.
- Approved by Council in 2008, the Agreement provided for the construction of a new connector road between Tyvola Road and Billy Graham Parkway.
- Allows the reimbursement to the Developer of up to a maximum of \$5.8 million for road construction.
- Annual payments are equal to 45% of the City's "new property tax increment" over ten years in a pre-defined "tax increment capture area"



City Park Infrastructure Agreement Overview





City Park Infrastructure Agreement Overview



City Park Infrastructure Agreement Modification Request

- In 2012, the Developer requested modifications to the agreement due to project delays caused by the economic recession.
- Project is moving forward but at lower density and construction value than originally proposed.
- New scale of project will not generate enough tax increment to reimburse for cost of Connector Road.



City Park Infrastructure Agreement Process and Schedule

- Developer and staff working through potential rezoning of project and alternative ways to fund the connector road.
- Committee discussion will likely occur as part of a rezoning petition for a site that reflects more accurate market conditions.



Energy Strategy Overview

- Included by Council in its FY13 and FY14 Economic Development Focus Area Plan.
- Determine the City's role in a comprehensive community Energy Strategy.
 - Support and/or accelerate the economic growth of energy-related companies and suppliers in Charlotte.
 - Determine public policy decisions that support economic development in the energy sector.
 - Identify partnerships that support a comprehensive energy initiative.



Energy Strategy Process & Schedule

- Committee updates are expected in March or April.
- The City's Energy & Sustainability Manager recently joined Neighborhood & Business Services to help facilitate this work.



Eastland Redevelopment Overview

- In July 2012, Council approved the purchase of the former Eastland Mall site for \$13.2 million.
- In May 2013, Council approved an \$871,520 demolition contract.
- On August 2013, Council authorized the City Manager to enter into a Memorandum of Understanding with Studio Charlotte Development, LLC to develop a possible development framework for the site.
- The work involves an analysis of Studio Charlotte's full financing plan, including potential funding gaps that require financial support from the City.



Eastland Redevelopment Overview



Eastland Redevelopment Concept Plan

1 MILLION
Total Buildable Square Feet

FLEXIBLE
Construction Phasing
on 12 Building Sites

30 ACRE
Movie Studio

106
Hotel Rooms

50,000
Square Foot
Tour and Event Center

137,500
Square Feet of Retail Space

66,500
Square Feet of Office Space

125
Residential Units





Eastland Redevelopment Memorandum of Understanding

- The MOU runs until March 31, 2014, and requires Studio Charlotte to provide the following:
 - The sources and uses of private equity and debt/financing for the proposed redevelopment.
 - The terms, amounts and conditions of any public funding/financing required for SCD to implement its proposed redevelopment.
 - Greater detail regarding the phasing of the development.
 - Master planning and urban design of the site.
 - Statement on the impact and implications of proposed changes to the North Carolina film tax credit incentive.



Eastland Redevelopment Progress to Date

- In November 2013, staff provided an update to the Committee, and shared the following:
 - Studio Charlotte will request the City to contribute the land and provide reimbursement for infrastructure through Tax Increment Grants.
 - Construction numbers were broad estimates in need of refinement.
 - Even with County participation in the tax increment grant, a customary 10-year 90% grant appears to be insufficient to cover requested infrastructure costs.



Eastland Redevelopment Progress to Date

- In December, Studio Charlotte met with County staff to begin discussions of County participation.
- Studio Charlotte continues to seek equity investors and alternative sources of funding for the project.
- Studio Charlotte has not refined its construction costs; therefore, the City and County have not been able to conduct further analysis of the construction and revenue models for the project.

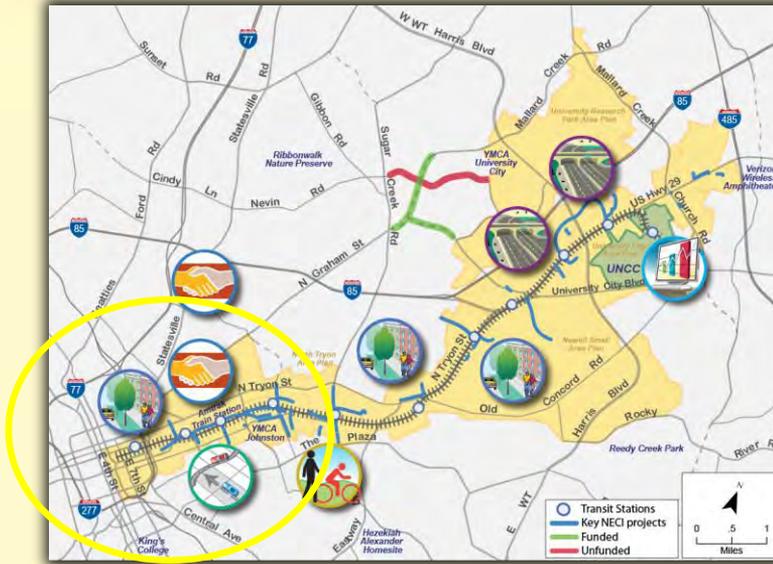


Applied Innovation Corridor Overview

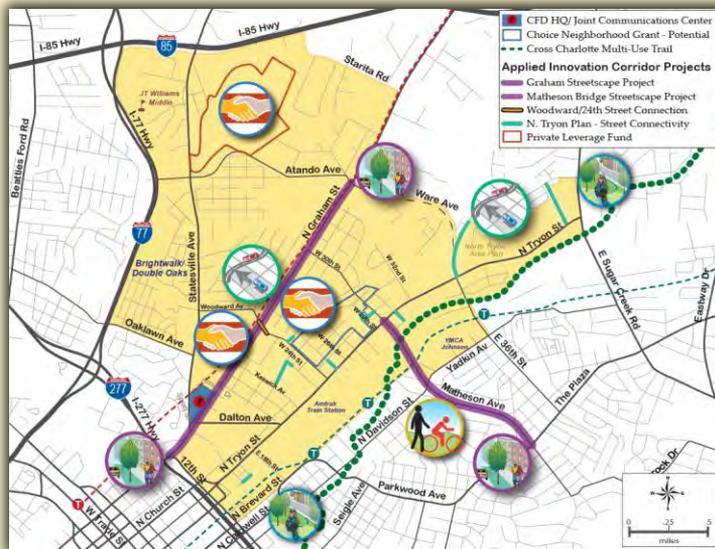
- Referred by City Council following adoption of the Community Investment Plan.
- “Applied Innovation Corridor” was coined in the Center City 2020 Vision Plan.
 - Recommended targeted development efforts in an area extending from the Center City to UNCC.
 - Linking and leveraging our city’s academic and research capital with its business assets and governmental support.



Applied Innovation Corridor Overview



Applied Innovation Corridor Overview





Applied Innovation Corridor Process

- The City plans to co-sponsor an Urban Land Institute Technical Advisory Panel in April 2014 to assist with the vision, planning and market analysis for the area.
- Participating co-sponsors include:
 - Mt. Vernon Capital/Vision Ventures
 - Mecklenburg County
 - Foundation for the Carolinas
 - Charlotte Chamber
 - Center City Partners
 - Charlotte Housing Authority
 - Charlotte-Mecklenburg Housing Partnership
 - UNC-Charlotte Foundation



Immigrant Integration Task Force Overview

- Chartered by City Council on November 25, 2013.
- An inter-agency task force charged to research and recommend policies to maximize immigrants' economic and civic contributions.
- 25 members appointed by the Mayor & City Council
- Findings and recommendations will be presented to the City Council within one year of first meeting.
- Sponsored by Neighborhood & Business Services and the Charlotte International Cabinet.



Immigrant Integration Task Force Appointments

- Mayor Appointments include:
 - Stefan Latorre, Chair - Law Offices of Stefan R. Latorre, P.A.
 - Emily Zimmern, Vice Chair - Levine Museum of the New South
 - Steven Garfinkel - Garfinkel Immigration Law Firm
 - Ellen Dubin - Carolina Refugee Resettlement Agency, Inc.
 - Martha Ann McConnell - Carolinas HealthCare System
 - Robert Shore - B. Roberts Foods, LLC
 - Anika Khan - Wells Fargo
- City Council appointments will be made on February 10th following recommendations from international and civic organizations.
- Meetings to begin in February and include heavy emphasis on public input and engagement.



Bojangles/Ovens Redevelopment Proposal Overview

- Included by Council in its FY13 and FY14 Economic Development Focus Area Plan.
- Work with tourism partners to develop a plan for growing sports in the Charlotte Region.
 - Develop a new public/private model for adding amateur sports facilities in the Region.
 - Attract sports and sporting events to the City.



Bojangles/Ovens Redevelopment Proposal

Overview

- In November 2013, GoodSports Enterprises Global, LLC, submitted a proposal to construct a new indoor amateur sports facility at the site of Bojangles Coliseum and Ovens Auditorium.
- GoodSports' concept plan includes:
 - 100,000 square foot indoor "field house" convertible for multiple indoor activities
 - 150 room hotel
 - 50,000 square foot in ancillary retail uses
 - 1,500 structured parking spaces



Bojangles/Ovens Redevelopment Proposal

Overview

- GoodSports is an affiliate of Focus Enterprises, a development, construction and management company specializing in hotels, water parks, and sports recreation facilities.
- Focus Enterprises and its affiliates have successfully built and operated over 54 hotels, resorts and entertainment properties over the past forty years.
- GoodSports has developed a "GoodSports Village" concept which pairs amateur sports related facilities with a hotel.



Bojangles/Ovens Redevelopment Proposal Concept Plan



Bojangles/Ovens Redevelopment Proposal Concept Plan





Bojangles/Ovens Redevelopment Proposal Concept Plan



Bojangles/Ovens Redevelopment Proposal Concept Plan

- The preliminary construction cost estimate is \$72 million.
- GoodSports has requested that City participate in 25% of the cost of the project, or nearly \$18 million.
- Following the purchase of the EconoLodge property, the City will have \$21.4 million available in the Community Investment Plan for this project.
- These funds can be used for further property acquisition, demolition, grading, parking and project gap financing.



Bojangles/Ovens Redevelopment Proposal Process and Schedule

- Staff from the City, County and Charlotte Regional Visitors Authority begin negotiations with GoodSports on the proposal later this month.
- Committee review and discussions are expected to begin this spring.



ED & Global Competitiveness Committee Quarterly Updates

CHARLOTTE BUSINESS RESOURCES

Starting Growing Locating Financing Cost setting Thriving

Partner Spotlight
sbtde

Business Spotlight
TARLIE RUMBLE, CEO of Rumble, shares the journey and goals of her entrepreneur.

Partner Spotlight
Whether you're a budding entrepreneur or an experienced business professional, ASBC's Small Business Center is the go-to partner resource for small businesses in Charlotte.

Partnerships & Tools for Your Success

Welcome to Charlotte Business Resources.
Our goal is to connect you with the information you need to start and run a successful business.

Sign up to stay current on news, information, and resources.

email address



**Economic Development & Global Competitiveness
Council Committee
2014 Schedule**

1st & 3rd Thursdays at Noon

****Additional meetings will be scheduled****

*Meetings will be held at the Charlotte-Mecklenburg Government Center in
Room CH-14, unless otherwise noted on the agenda*

Meeting Dates

January 16

**February 6
February 20**

**March 6
March 20**

**April 3
April 17**

**May 1
May 15**

**June 5
June 19**

July 17 *(one meeting, Council summer schedule)*

August 21 *(one meeting, Council summer schedule)*

**September 4
September 18**

**October 2
October 16**

**November 6
November 20**

**December 4
December 18**