COMMITTEE AGENDA TOPICS

I. Subject: Tanger/Simon Outlet Project
Action: Staff will provide information related to the request by Tanger Factory Outlet Centers and Simon Property Group (Tanger/Simon) for the City's financial participation in certain public road and infrastructure improvements through an infrastructure reimbursement agreement.

II. Subject: Capital Investment Plan
Action: Staff will provide an overview of the Bojangles Coliseum/Ovens Auditorium, Redevelopment and the Applied Innovation Corridor. In addition, staff and consultant Michael Gallis will provide an update on the development impacts of the capital project under review by Committee.

III. SBO Program Revisions
Action: Staff will provide an update on the survey feedback for a new program name and tagline.

COMMITTEE INFORMATION

Present: James Mitchell, Patrick Cannon, David Howard, LaWana Mayfield and Warren Cooksey
Time: 12:00 Noon – 2:00 p.m.

ATTACHMENTS

1. Tanger/Simon Premium Outlet Mall Presentation
2. East/Southeast Corridor, Bojangles Coliseum/Ovens Auditorium Area Redevelopment
3. Northeast Corridor – Applied Innovation Corridor Improvements
4. Proposed Capital Investment Plan
5. SBO Name Survey Results

DISCUSSION HIGHLIGHTS

Chairman Mitchell opened the meeting and asked everyone to introduce themselves. We have at least three agenda items today and I will turn it over to Mr. Kimble to introduce the first item.

Kimble: This is the Tanger/Simon Outlet Project and I'm proud to report that on Tuesday evening the Mecklenburg County Board of Commissions on an 8 to 0 vote approved their portion of this particular Tax Increment Grant request. We are here today, based on the referral that has been made to this committee, the referral was made this past Monday, it is for this Thursday at noon and we are ready to talk to you about the Tax Increment Grant opportunity. It would be a road infrastructure reimbursement, very similar in structure to the Ballantyne Road Agreement. Brad Richardson is here to walk you through this. If you are ready to vote today to recommend this, that would be fine. It would then go to the Monday night agenda, February 25th if you are so inclined.

I. Tanger/Simon Premium Outlet Mall

Richardson: What I thought I would do was share some project background overview of the project, talk about the referral and the request made to us and then talk about policy and how the Infrastructure Reimbursement Grant might work out.

In October, as you know and it has been well publicized, the Tanger Factory Outlets announced plans to build an outlet center in southwest Charlotte and at the same time another corporation, Simon announced the same thing in another part of our community in Union County. In November, they announced a joint venture on the southwest Charlotte site and we still believe that the Union County site still will be in play if the deal here doesn't work out. We were approached by Tanger/Simon about a public/private infrastructure reimbursement agreement and we've been working with them to understand the request, see how it lines up with City policy and past work that we've done in similar areas. As Ron mentioned, Monday night the Council referred this to you for discussion today.

An overview of the vicinity map of the project, you can see I-485, Steele Creek Road, Highway 160, Shopton Road and Dixie River Road. I zoom a little closer look of the area under development and then a concept plan early of what the mall might look like and layout. Here are some elevations of the center provided to us by the developer and some specifics of the project: 400,000 square feet of retail, plus or minus, 80,000 additional square feet, a hotel property on site or adjacent, $82 million investment in investment in the Outlet Mall itself with potential of additional investment by partners on adjacent parcels in the amount of $24 million, 900 part-time/full-time jobs estimated and if you boil the part-time into fully baked full-time salary positions, you are looking at about 425 full-time equivalent jobs, 200 construction jobs during the phase when it is being graded and built out of the ground and opened.

Cannon: I had a question earlier in the week with regards to anything itemized in the way of those construction jobs. Do you offer that information again?

Richardson: We made the request to Mr. Brown at the meeting; I think that we've not itemized it. Jeff do you have an itemized list besides that it is grading, construction, electrical, HVAC, plumbing, the things that you would expect in a construction project this size?

Cannon: I was interested in the breakout of what it looked like not just from the profession side, but also the amount of participation economically to sort of figure out what was happening where with regard to that.

Richardson: The participation plan, that is a good point and I'm glad you brought it up today. When we do infrastructure reimbursement agreements as you know, we will work with the developer and bring to you for final consideration at a Council Meeting what the developer's commitment from a participation standpoint is. It must align with our SBO policy, the County is involved in this development agreement, so far it will also align with their current program which is a minority women owned business program. You will see that goal, it will be established between now and the time you consider this at a public meeting.

Cannon: That is the reason I was asking this question because I know what our nature of business has been in a way of how we get to where we try to come down on a decision.

Richardson: Some numbers about sales tax revenue and numbers about property tax revenue. One of the things that we analyze and determine is that approximately $825,000 of sales tax revenue coming to the City and 45% of that we understand is largely regional in nature, coming into the county not currently from spending in the county. Property tax revenue generated off of an estimated $100 million valuation, and you can see those numbers on the screen. That is an annual number estimated.

Let's talk about the mechanics of the proposed reimbursement agreement for infrastructure. We understand that the off-site infrastructure cost is about $8.5 million and includes sewer and roads. We are getting some assistance from Charlotte Mecklenburg Utilities in a reimbursement of sewer/water infrastructure project that will serve the southwestern part of the county. That brings the total infrastructure costs to $7.7 million. These are off-site roadway improvements. We understand in talking with the developer that other outlets malls in the region and across the county have had varying amounts of public participation but the point of this slide is to say that the development reimbursement agreement we are considering today doesn't cover the $7.7 million, and we will talk about that a little bit later, but we wanted to point that in Mebane, Glendale and Galveston, Texas where Tanger has worked before you will see varying levels of public support and varying levels of infrastructure being required by the developer in public roadways. I'll show some numbers here to help illustrate this point.

Howard: Just for information, did Concord Mills get participation from Concord?

Richardson: I don't know, we'll have to do some digging on that for you.

You have an attachment and handout at your place that you will see these a little bit more clearly. It is a vicinity map with some road improvement overlays with it. So I'll talk about the fact that we've run this requests for $7.7 million, not the request for $7.7 million, but the total package of roadwork by CDOT and take a look at what would be the costs of things that would really provide benefits above and beyond what the outlet mall would require to come up with an estimate of $5.143 million in reimbursable costs. That really impacts the $4.994 million direct road costs and a 3% contingency amount we think is reasonable. When we talk about reimbursement this is the amount of the project work that is eligible to be reimbursed. These improvements improve connectivity, congestion mitigation, safer vehicle operation and potential opening up of development in the area of town.

Mitchell: The $5.14 million, is that the City's participation or City and County?

Richardson: City and County. Everything we are talking about today is City and where necessary we will break out the City and the County.

Take a look at the map you have in front of you and you will see 11 projects. We can talk through them if you like. We've got folks from the Department of Transportation here if you are interested in a deeper dive of any one of these, but essentially the blue dot on the map represents intersection improvements, signalization of some kind and adding turn lanes in some areas. The white ones are a

little bit more expensive. Those are road widening, Dixie River Road for instance along the eastern edge is widen. Trojan Drive, which is number seven on the map will punched all the way through up to Shopton Road. That is the mass lake lane. White is new roads or widening of roads and blue is the intersection improvements. The sum total is $4.994 million with $150,000, 3% contingency gets you to the $5.134 million.

Cannon: Regarding other related infrastructure, just to familiarize me once again with that area. Sidewalks and how all of that is placed in here. Talk about that for a moment.

Richardson: Sidewalks would be covered I believe by ordinance, but we are talking about road improvements for traffic, not necessarily sidewalks in this.

Cannon: I understand what the typical piece is in terms of what we have to conform with, is there anything beyond that in the way of additional sidewalks that might be needed?

Richardson: I'm not sure of the answer to that specifically. I'll get staff support if we need it, but we are prepared to talk about road and traffic improvements.

Kimble: Would like to know from CDOT? Staff members are here, what cross sections of the roads are? Is that what you are asking?

Cannon: That would be important to me.

Dennis Rorie (CDOT): By way of sidewalks, I think the question was were there sidewalks that were planned that are above and beyond what you would normally expect by way of ordinance. There are not any that would be above and beyond. In most places where there are new road requirements, there is an associated ordinance requirement that would require sidewalks to be put in place so there will be a network of sidewalks that will be provided throughout the entire development. A lot of that is associated with the roads themselves.

Kimble: The cross sections, are they street, curb and gutter, planting strips, sidewalks? I think they are looking for the type of cross section?

Rorie: Absolutely, the type of cross section that you can expect in a street like Dixie River, there is an existing cross section in place that already has travel lanes, bike lanes, planting strips, sidewalks. For Trojan Drive you will also see a treatment that will involve travel lanes, planting strips, sidewalks and curb and gutter sections. I don't anticipate any type of ditch sections or anything of that nature.

Cannon: That answers, I'm okay with that.

Howard: Right now it is set up for four lanes, so what you are saying is where they have to move things out to expand for intersections the treatment will be the same as it is now?

Rorie: When you say four lanes, you are referring to Dixie River? Yes, most of the widening that would occur on Dixie River, there is going to be some internal widening. At the intersections, yes you

will see some widening to the outside to maybe accommodate a turn lane onto a new public or private street that the development would be in. Where we can the widening has occurred to the inside.

Howard: On the backside which I would suspect would be a place that people will come in and out to Shopton Road, I know we are not talking about doing a bridge, but we have this thing where we widen to a bridge, go across the bridge and then widen back again. Is that necessary in this one?

Rorie: Partly, I'll just call I-485 north just on the page so we can get a minimum pledge of consistent, but Shopton Road to the west of I-485, you will see that widening that you are referring to accommodate turn lanes into the development itself. The bridge indeed represents a choke point.

Richardson: This is just a list of the 11 projects by list and costs and the numbers total $4.94 million and we've added the 3% contingency at the bottom. These are the projects that you would be reimbursing with the Tax Increment Financing model. It is important for you to know that you have an existing policy in place that handles requests like this. It meets the tax increment policy Category A–Infrastructure. We've got an excerpt from the policy for you there. Also this qualifies by your policy for a 45% ten-year tax increment grant. What that means that over a 10-year window of time 45% of the new tax that is generated by the development would be returned to the developer in the form of a reimbursement for the roads up to a certain amount; 55% of the revenue for that term would be retained by the City and the County. Here is how it generally lays out and you will see this in a more legal form when we develop the agreement, but it is a 10-year term. As I said, 45% of the net new taxes and the third bullet talks about the project costs. We just went through those and it is important for you to know that we have an interest rate 3.25% carrying, recognizing that upfront money paid by the developer, they are carrying interest at a much higher rate than our municipal rate but we pass through our municipal rate and you take the $5.143 million, use a ten-year window at that interest rate, and the other important number for you to know is there is a cap on this grant. Remember I said $7.7 million in needed roads and they have agreed, and we think it is appropriate, that our interest rate and the carry of $6.15 million maximum grant over the ten-year term. I said 45% of a new tax in a certain area, this is not very easy to see and that is why I think it is in front of you as well, there is a blue line on this map that outlines the geography that we would call the captured area, meaning that new tax revenue in this area, 45% would be used to reimburse for roads. You might want to take a look at the map for that one.

Here are some general terms, a little bit of detail but just to know that we are thinking through these things, you've got a grant payment request and the City is required that within three years of the time CDOT accepts the roads, they are building the roads, dedicating them to the City for ownership and maintenance and also after voluntary annexation, currently this property is not inside the corporate limits of the City, but they would be required to receive payments. Obviously to receive an increment of City taxes they would need to be paying City taxes. That interest calculation at the request of the first payment. Some technical jargon that will apply it to the interest first principle balance later, similar to what we've done in other agreements. We won't add the interest to the principle, all of this can stay protecting us toward that maximum of $6.15 million.

Cooksey: With reference to the property not currently being in the City limits, but we are talking about a tax increment grant that would involve City taxation. Will that annexation be done voluntarily at some point? We know that there have been annexation changes that we have to deal with.

Richardson: Yes, our Planning staff has been in touch with the developer and generally the staff around the City, it would be a voluntary annexation.

Kimble: About the only kind we can do now.

Richardson: As I said before the last bullet, you've got a ten-year window at either ten years or when $6.15 million is reached, that is when the grant would end.

Mitchell: So either or whichever one comes?

Richardson: Here is an example – this is an optimistic scenario where development happened is projected maybe a little bit ahead of pace. I wanted you to get a sense of the numbers, 45% of a tax increment grant would generate over a ten-year terms about $5.9 million in payments to the developer in this case. It breaks down according to our respective tax rates so of that costs $2.1 million or 36% is the City's responsibility, the balance is the County's. The other side of the equation where we receive 55% of the new property tax from the development in that ten-year window and those are what those numbers look like. By your policy, we also have a limit of the amount of tax increment or pledging future revenues for obligations and it is a 3% cap. We wanted you to know that we have run that calculation with our Finance Department. If you were to approve this model, there would be remaining $2.6 million of annual capacity. The point of that is you are still well below your capacity in the program by policy. Ron alluded to this, the County Commission unanimously approved this Tuesday afternoon and if you are ready, the action that we would ask you to take today, would be to recommend that the Council authorize the City Manager to negotiate and execute this infrastructure reimbursement agreement. You see for a 45% over 10 years with the cap of $6.15 million. You also know this is going through a rezoning right now and we certainly make this contingent upon your successful approval of a rezoning in March.

VOTE: Mayfield made a motion to recommend to the full Council the City's financial participation in certain public road and infrastructure improvements through an infrastructure reimbursement agreement for the Tanger/Simon Outlet Project. Howard seconded the motion and the vote was unanimous.

Howard: Just to be clear, the City's portion of that is 1/3?

Richardson: Roughly, proportional to our tax rate which is 35%.

Cannon: Just for clarity, I thought I heard you state Mr. Kimble that this action would come before us on the 25th.

Kimble: If you approve it today, we will send it out tomorrow and it will be on your Monday night Council Agenda.

Cannon: We certainly have the capacity to put it in the agenda.

Mitchell: I want to know a timeline because we've got the rezoning going parallel with our recommendation, which is a good thing. Give us a timeline.

Jeff Brown (Moore and Van Allen): The rezoning is currently scheduled for a decision on March 18th.

Mitchell: The construction schedule, best case scenario that we are turning dirt, September 2013?

Brown: We are appreciative of the efforts to work expeditiously with the permitting side of the project and look forward to that continued cooperation. The goal would be to actually try to start construction more in the third quarter of this year and to move forward with construction so there could be an opening July 2014. That would be the goal.

Kevin Jennings (Tanger): In a perfect world, we would be breaking ground in July of this year and then opening in July 2014.

Nan Petersen (Land Development): We've already been in discussion and we've had preliminary meetings and everything with grading, roads, from a permitting standpoint we are not anticipating any problems.

The vote was taken on the motion to move this forward to the full Council and was recorded as unanimous.

Mitchell: Ron, we have a placeholder so everything is fine?

Kimble: We do. It will go out tomorrow night in your packages for Monday night consideration.

Mitchell: This is exact the same thing we did for Ballantyne except that was smaller in nature.

II. Capital Investment Plan

Kimble: This is a two-part, how we are going to look at two particular areas or projects fairly quickly unless you want to go more slowly through them. The second part is to introduce the concept of how we are looking at the economic impact and the overall impact in the modeling that you asked us to do and you will be the first Committee to see some of this rolling out to you for the very first time. It may or may not be final. We are still working through the numbers and this is the first cut at it and we wanted to share with you some of the results with Michael Gallis and his team and Debra Campbell and a host of folks that you see in the room from the various departments of the City have been working on this as well. Brad is going to cover two of the projects in the area and then we will turn it over to Mr. Gallis.

Richardson: We are going to talk about two of the six that were referred to you today really briefly to allow some time on the back end for questions and particularly for Mr. Gallis' presentation. I will talk first about Applied Innovation Corridors and I will talk about the Bojangles/Ovens Redevelopment. The name, first of all it is a new monitor for us, Applied Innovation, what you should know is that it really applies to Center City and the University, the wide area in between. Generally Applied Innovation Corridor is a term coined during the City's 2020 Plan. You have a write-up before you that

might walk you through some of those improvements. Broadly speaking, Applied Innovation Corridor is this area and within that broad area we've, for the purpose of the CIP, focused energy in a lot of areas but the one we are talking about today is a $28 million placeholder for a portion of the Applied Innovation Corridor, the area closest to the Center City. We have identified what we think are catalyst projects for road improvements and opportunities for private/public partnerships in the area delineated here. Let me give you the boundaries – I-77, I-85, Starita Road, Graham Street, Brevard Street, North Davidson Street, and certainly 11th Street. We've identified five areas of use of that $28 million placeholder. The first one is the Graham Street Streetscape project. If you have driven Graham Street, been in town a long time, it carries a lot of industrial traffic and it is not too far from new residential development in this part of the community. What we envision, Graham Street curb is very narrow, buildings are right up against the utility lines or are imposing. It is not inviting to development right now so what we've proposed is investing in streetscape much like you've done Statesville Avenue and North Tryon Street. That would be the purple delineated line here.

Mitchell: So that is Statesville Avenue?

Richardson: That is Graham Street, Statesville Avenue is running north here. The second thing is the Matheson Avenue Bridge. The best view of Charlotte is right here. You probably don't get over there very often, but it is this area right here. We think a connection between North Davidson Street and Tryon Street over here, particularly crossing the Cross Charlotte Trail and the light rail stops in the area are nice investments to really connect this neighborhood, which is barricaded really off from access to NoDa from the intermodal facility as it sits today, with improving of the streetscape along this road. We've pegged that at a $6.5 million estimate for the improvements.

Cooksey: The proposal wouldn't mess with the mural underneath the bridge would it? That is a phenomenal mural about May 20th and the Independence of this County. It is a beautiful piece of community art work there.

Richardson: No. It is a little hard to see on the map, but an opportunity for realigning an intersection; 24th Street intersects Davidson in a little bit different way. Woodward Avenue sits right here so we think aligning 24th Street with Woodward Avenue to make a four-way intersection here opens up possibilities for bringing retail in particular to serve the community. A lot of land is under one ownership here, folks go on vision ventures and they've talked to us about their future Charlotte station plan. That is a small intersection improvement there.

Howard: When you make that a four-way intersection, would you carry that all the way over?

Richardson: 24th Street would continue all the way through to Statesville Avenue and it would terminate at Statesville Avenue. The intersection improvement is the scope of the work.

Howard: No improvements on the 24th side?

Richardson: Correct. $5 million for Tryon Street connectivity. The Tryon Street Plan called for disconnecting some of the blocks in here that have don't have good connectivity, Tryon Hills and Bellahey Courts and then a private leverage fund. This is not the first time you've heard this concept,

but opportunity funds when a developer has a project or there is a need in the community, how would we bring City dollars to bear in infrastructure, generally $4 million for that.

Howard: Still no plans to do anything with the train bridges on North Tryon Street? At some point we've got to work with them to do something with those. They are dangerous.

Richardson: You are right, increasingly expensive and a barrier to downtown. What we are seeing emerge is really the gateway into the Center City being Tryon to Dalton to Graham, but this area right here is challenged as you know from the Right-of-Way and the rail and the bridges.

Howard: It just stops development that may want to march down North Tryon Street.

Kimble: We've got $10.5 million or $9.5 million going into North Tryon already?

Richardson: Right, $9.5 million for North Tryon Street improvements from generally in this area here.

Howard: At some point we need to put those bridges on the table.

Cooksey: This also reminds me that part of this is not just to be applied to Innovation Corridor and North Graham. We are looking at the Blue Line Extension comes along here too. It just dawned on me it might be interesting to see what kind of NECI proposals and I'm sure that is around here somewhere.

Kimble: That is in another committee.

Cooksey: It is in the other committee I'm on, so I will be thinking about this when I think about that too. I've got to state the obvious question, North Graham being a State road, are we going to get any credit from them for doing anything to help their road?

Kimble: This is South Boulevard all over again.

Cooksey: I've always had mixed feelings about the little icons. I kind of gathered what most of them are and I presume the one with the two hands is kind of public/private partnership. What is the one up there above Atando Avenue? You've got a public/private partnership hand there between Atando and I-85, what have I missed?

Richardson: Statesville Avenue landfill.

Cooksey: Yes, a large City-owned property.

Richardson: I will expand it to the J. T. Williams site, heavy industrial, conversion of two major interstates, potential of that $4 million private leverage fund won't go a long way.

Cooksey: I see that is where the private leverage firm comes in.

Kimble: In addition, the 26-mile greenway trail is going through here as well.

Cooksey: That is something perhaps when we get to full Council discussion, that might help reinforce some of this because you've got three different projects in this general area and yet we've separate them out for us to look at them, but overlaps. There is some impact too that we might want to be thinking about.

Kimble: The good news is that you are going to see some of that in Mr. Gallis' presentation.

Richardson: The next one will radically shift gears to a different part of town, the Southeast Corridor and the Bojangles/Ovens Redevelopment opportunity. The concept plan here is fairly simply but aggressive, but you've got to shirt your gear into the amateur sports business. We have representatives from the CRVA here, Mike and Bill. They can talk about the work they've done, but the white paper in front of you just talks about market opportunity for amateur sports. To sum it up, big opportunity, many cities have capitalized on it. The dollars flat flow in from amateur sports comes generally from the outside. Families that typically spend money on these sports go outside and spend their dollars elsewhere. We could capture some of that here as well and it is an off-peak type event meaning that when hotels are slow there is a nice balancing act when you amateur sports in the market. This proposal is aggressive, it is actually a nice gateway feature to Independence Boulevard that envisions, we've proposed $25 million of City money for phase I and Ron reminded me earlier that there is also a proposal for $10 million as a tourism fund and $25 million of private funds to enact Phase I. That is essentially to take the floor of the existing Bojangles Coliseum, raise it to allow more floor space to get more courts. What we've learned and what our experts have told us is that what we are trying to build if we really want to do it well and be an attractive market for amateur sports is an indoor facility that has about 12 basketball court sizes of space. It can be configured in many different ways for indoor soccer, for archery, bowling, a lot of things, but from a basketball sport perspective 12 courts. We get four of them in this part of the arena once you raise the floor. An auxiliary building to be built would house the rest and they would contiguously connected and this would sit as you see right here, between the Coliseum and Ovens Auditorium. Both of these facilities would remain in place for civic events, concerts, graduation, the net effect of Bojangles would be taking the seating capacity from about 10,000 to about 7,000. Still a nice building for the market. Phase I, the numbers I talked about earlier, would accomplish a couple of things. One is renovation of this building and acquisition of this land and some improvements to make it a parking area. You see Phase II envisions some of the parking lot that is here being redeveloped. We would rely on tourism dollars and private sector help to build this building in the middle, and some road improvements to access the site as well. That is the big picture for Bojangles and Ovens redevelopment.

Mitchell: Let's go through the framework again, $25 million from the CIP capital funds and then $10 million from tourism, so $35 million total for Phase I?

Kimble: And $25 million private sector so it is a $60 million estimate first phase, and we are leaning tourism dollars.

Cooksey: Andy Dulin had hoped to be here today for this part but he had some conflicts so he asked me to ask questions for him. What private sector efforts are you aware of, Ron, Bill or Mike, to go into this type of facility, especially for the AAU basketball? Are you aware of any, what are they, have you had conversations, where might some private sector exploration already have occurred?

Kimble: I will start and then Mike and Bill can speak. I think we have tested the waters about a year ago with four or five different private sector individuals. We got some nibbles and some bites from one or two. Since then there have been two more that we have approached and we are getting some collaboration between some private parties that are showing an interest now. We have tested the waters, can't say that we have anything that is firm and they are ready to dive in, but I think there are some opportunities where we can get a consortium to work together.

Cannon: Brad and I had a conversation with a gentleman who had visited who also should be at the table if he isn't already. I had suggested that he connect with the Chair of this Committee to have some discussions because they are eager, they are liquid and can make something come into fruition in the form of what we would expect and would love to have. Certainly I think the Chair should be having that meeting so Brad and Ron if we can make those connects, I think it is going to be important.

Kimble: All doors are open.

Mike Crum (CRVA): There is a lot of private sector interest in amateur sports right now and as Ron noted we've had conversations with probably a half dozen private interests that have learned about the project and have an interest in it. We think there is an opportunity to continue those conversations with those developers. We also think there might be some partnership opportunities between two or three of these entities that might make the private investment a little bit easier for everyone involved.

Mitchell: Bill, is there anything you would like to add?

Bill McMillian (CRVA): Not to that piece of it.

Cooksey: Is there a piece you have something to add to?

McMillian: Just ask me a question.

Cooksey: What other piece haven't asked for?

McMillian: My main focus here is selling this building and that is where my responsibility goes here and I think to echo what was said earlier as we say, not all room nights are created equal, and amateur sports fills need times which helps generate economic impact times when hotels are slow and if the hotels are slow consequently people aren't having full-time employment as well. A lot of what we are doing is good in a lot of different areas and filling that need time and niche of demand in the City.

Cooksey: I appreciate you saying that because it triggered another element. If we are talking about this redevelopment and its impact, we had to buy a couple hotels in the area because they were in lousy shape and they were on the wrong side of the highway for this. What are the thoughts about what this kind of investment and redevelopment might do if anything for a hotel market around here and where is the thinking about any potential hotel issues in the area?

Kimble: The restaurants, parking, future and align them with retail so this is a long-range plan. This would be Phase I and back here would be Phase II and what you are going to do eventually to connect Independence back to Monroe and have this hopefully in its long-term phase build out, what it is going to look like. There are lots of opportunities but it could be that private developer that is interested here is also the same as interested in a hotel. We are sparking those conversations by virtue of the project being out there for shopping and shopping the project to others.

Howard: My question has more to do with site. We talked about across the street a couple meetings ago and kind of determined that really would benefit that side of the freeway more than it benefits what we are doing over here. I want to confirm your thoughts on that especially about land use and what that could be. I noticed with the big parking lot over there, that is actually a hotel right now.

Kimble: There are two hotels, there is the Golden Green and then there is the Eco Lodge or Comfort Inn I can't remember which it is right now.

Howard: Is that part of this $25 million or part of the bigger $60 million? If we got the $25 million, would you move on that first? What is the $25 million going to actually cover?

Kimble: It is leveraged with the other $10 million and the other $25 million so it is all in $60 million estimate.

Howard: Could you wait until you got that leverage before you did anything and I'm hoping not.

Kimble: We have an option on this hotel; we do not have an option on this hotel so we are holding an option that is good until December 31, 2013.

Howard: Do you have options on anything else in the area?

Kimble: No, but this is owned, all of this right now. This is private, that is private and we now own these two. Those are the two that we purchased. Eventually long-term can we have connectivity through pedestrian? We have to work with the State, work with C-DOT, work with Planning and how do you get there in the interim. There are ways to get across and down and under through a greenway network to get into this area. This really improves the visual and the future development and gets rid of the blight and this blight was not only harming what you see on Independence, there was harm to the neighborhoods behind so that was really a good purchase from a public safety, from a crime and nuisance, from a redevelopment, from a storm water and the flood mitigation perspective, and also eventually to tie this over to this site.

Howard: Different architecture can be nice when it is done right, but you've got a dome which is kind of the 50's architecture, you've got Ovens Auditorium which is more 60 and 70 and now you are talking about putting a building between them. I'm sure you don't have the answer now, but it would be nice for that all to work because that long building could actually put Ovens back in a hole if you don't do that right.

Kimble: Odell is currently engaged by CRVA to do some work on this. We have already talked to the Historic Landmarks Commission because this is a historic structure and if you alter the exterior of it the only place we are only touching it is when it connects here to the new building in between so we've had good conversations with Historic Landmarks Commission.
Howard: The new hotel, restaurants all of that, I hope somebody is paying attention because if not Ovens could become irrelevant real fast and I could actually see Ovens having a role for awards and other things in addition to what it is doing in all of this.

Kimble: Clinics and other events to go on while they are going on in the amateur sports venue, you could have other type of activities going on.

Cannon: The City owns that structure right, the Coliseum?

Kimble: That one and that one and all of this land.

Cannon: So even with the historic designation if the City wanted to decide to move forward to lift that and even have a building that has been designated historic and the flexibility that the owner has is to be able to go and lift that designation if they desire to do that so I was wondering about that in this case.

Crum: When we did the historic designation we purposely excluded the interior because we knew if the building was going to continue to operate, you were going to have to make changes over time to be able to attract different types of business. The way that Odell has worked with the facility in this conceptual study is that the touch points between the two facilities are very narrow and it can be done in a way that I think it is going to be pretty easy to comply with the Historic Landmarks status which is essentially that whatever you do to the exterior you've got to be capable of putting it back at some point in the future. That was something that we stressed to them early on and I think they've done a pretty good job of addressing that issue.

Cannon: I got you, I was just pivoting off the comment that Councilmember Howard was making relative to the architecture piece and continuity and how you want things sort of low in an area so that it compliments one another rather than looking like apples and oranges.

Kimble: We're getting some better visuals and visioning of that as we speak.

Cannon: Mr. McMillian, your job of course is to get out there as you said and source, find out what is good out there for us. Certainly, softball which is something that would not be played in that facility, maybe at some point in the new facility uptown because we are losing millions upon millions of dollars right now to some folks on the other side of the border. Now we will have an opportunity for that. Would this be a multi-use facility? What are some of the other things? I know basketball is an obvious, volley ball is an obvious. Is there anything else out there? I had a call from someone who has this notion of wanting to do this indoor track and field facility and we got on the topic of what is already existing that might allow for something like that. I just want to ask what are the thoughts from your perspective as to what could be some of those multi uses.

McMillian: We looked at the building as being a Swiss Army knife of a facility, something that we could do a lot of different things in and not be limited by the way the building was built. To address your point, it is all the different multi court sports. Right now, mentioning softball, our exterior and outside facilities are great; we work in great partnership with Park and Recreation to bring a lot of events into town. This indoor sports facility serves a lot of different things. We've talked to many different national governing bodies over the past year to talk to them about a facility similar to this and would that work for the types of events that they do. That ranges from archery, bad mitten, volleyball, cheer leading gymnastics, boxing and one of the big ones, and you may remember when we had the Women's International Bowling Congress here a few years ago in 2007, they have a bigger tournament than that. We've spoken with the US Bowling Congress about this particular building and shown them some of the preliminary schematics to ask them if this is the type of building that you would use and they said they certainly could. We've done a lot of ground work with many other national governing bodies as I said before to see if this met the types of requirements they would have for their tournaments. So far the answer from most of them has been yes.

Mr. Kimble said the indoor track is an interesting one because we visited one that had flat grade track indoors and it is not really appealing to the types of sprinters that want to use a banked track. When you put the bank in it, it destroys then some of the other things that you want to have in that facility from a multipurpose nature and we've done some analysis and some research on that. The jury is still out, but it is very hard to put the banked track in and make it work.

Cannon: I still want to explore that further. Winston Salem just had the State Track Indoor Meet week before last and there has been a lot of talk and discussion largely in part because of the number of different types of events that are happening. Also this notion of the Olympics. We've always been creative in finding ways to see if something fits.

Crum: You can work with a hydraulic concept which is frighteningly expensive and might be outside of our pocketbook. Temporary track might be possible. One of the things you have to do is make sure that you have a building that can be sanctioned for certain types competition. For indoor track, there is a regulation, 200 meter oval that you've got to be able to host and particularly for international competitions, you've got to have a certain bank to it. I think that is something we can explore as part of the puzzle.

Cannon: Maybe it is not this local and maybe that is something away from, it is a special facility for that type of thing and maybe there is a partnership of some sort that could be considered along the way.

Howard: Are we doing anything to make sure we do meet international requirements if we can do this as well? We did get a real letter asking us to apply. If they didn't think we could we wouldn't have gotten one of those, as well as going on with what Mr. Cannon was talking about how this compliments. What I keep looking for Ron and you guys from CRVA is this comprehensive plan about what we want to do in amateur sports. For instance, Mohammed Jenatian several years ago talked about how the Convention Center, and when you talk about oval, I bet you one of those halls would accommodate that and if you did have a temporary track you could put in, considering it is under the roof, that is something you can do year round. Whether or not we are looking at how we accommodate amateur sports in our community with these facilities, not just this one, I'd be

interested beyond this one if we had a comprehensive plan about what we do with all these facilities that we own and how do we go after all those events aggressively. Mohammed at one time talked about indoor tennis. Those ceilings are high enough for that kind of thing.

Crum: We went out and did some site surveys, visited a number of other facilities that were the predecessors of what we are thinking about. We went to Boo Williams, paid a visit to a place called the Spire Institute in Ohio, which is a lot of what we are looking for out in the middle or nowhere. I think the lessons that we learned were that as long as you create adequate amount of open space and as long as you created ceiling heights that were compliant with some of these international standards for competitions that you could then bring in the … necessary to create certain types of courts. Is that a temporary track, is it a temporary basketball court, is it volley ball courts, but one of the things you don't want to do is so narrowly define the building that it can only do one or two sports, because now any one sport gets played all year round. If we really want this venue to be a driver of economic activity, then we've got to build it in a way that we can accommodate the seasonality of a broad spectrum of sports.

Cooksey: On the bowling aspect of it, you are talking about the flexibility Mike is talking about that if we got such a large bowling event, we could add some lanes to have that to supplement what the existing stock is or would that need to be something more permanent?

Crum: Bill is our bowling expert so I'm going to let him describe that.

McMillian: We've had very detailed conversation with the USBC and they bring in 26 tractor trailers of their own equipment and run this event on an annual basis.

Cooksey: To do this backwards, my main concern there was getting into an area of facilities that currently exist in the private sector that people are trying to money off of. While I appreciate that there is a role for publicly-owned facilities that do a wide variety of things, if we are talking about, I don't want to run the risk if we are talking about either a public facility or a public/private partnership that puts itself potentially in competition with existing private sector businesses. That is encouraging that we are just talking about making sure that space is flexible enough that 26 tractor trailers full of bowling setup could be handled. My hope and expectation would be that that kind thing would be used only either to supplement what our private sector bowling stock is that the women's group seems to use all over the county or it would be used because what we have in the private sector isn't up to the standard that the professionals would want to have.

McMillian: That is an excellent point and an excellent question and timely, we were just approached to rebid on the Women's International Bowling Congress, but the facilities that we used in the past declined to participate because they could not justify being closed for that timeframe. One of the view ways that we will be able to bring that type of event back is to have a space that we can control and use. We've tried many places. We've talked about doing some stuff at the hangers out at the Airport to try to put bowling out there and it is hard to find that space to do.

Cooksey: Thank you, I didn't want to start going down a path that might put us in a position of having private sector operators and say wait a minute, what are you talking about competing with us. If their experience the last time the bowling championship was here was that making the space

available for that much isn't good for them I would presume that greater awareness in the community of bowling is so let's keep them on board for that kind of thing.

Mitchell: I think that has been an outstanding discussion. I think even the discussion we had about amateur sports; we need to do a better job on educating the community about why it is so important. Ron, you might remember three years ago we made it a priority, but if someone could work with staff to show the true impact of amateur sports, job wise, tournament. I got to take my oldest blessing to Winston Salem Saturday for Cheerleading competition so when you talk about cheerleading here, I think we could talk about the true impact and from a sales standpoint, how many of the events can we have do the volleyball, basketball, bowling and track and let's put that in a document. I do think Mr. Cannon said it right. It is one thing to look at this as Phase I of amateur sports but where are other areas that we could add a soccer international or baseball international so the whole city then becomes amateur sports village so to speak. I know we ask a lot of staff. I think that would help us, even some of the current discussion we are having now, but in the future when people say why you all are excited about amateur sports. Oh, let me tell you why we are excited about amateur sports. Committee is that okay to ask for feedback?

Cannon: Just make sure in these facilities that you allot enough space and room for the Chairman who loves group dancing. I want you to prepare for that.

Cooksey: This is really a minor issue, but I don't want to start getting credit for something that is not original me. I got the word nimble when Pat Mumford talked about how he was redesigning Neighborhood & Business Services. This is Pat Mumford's term and I shouldn't get credit. He talked about Neighborhood & Business Services being a nimble organization back when he reorganized it.

Mayfield: While we are thinking of our dream idea of amateur sports, I want to throw out for us to start looking and considering skate plaza/skate park because that is another sport that is getting a lot of attention. It will be a great way, when we look at our young people today regardless of social economic background, ethnicity, you are seeing a lot of young people that are really getting into skateboarding events. We don't really have a place and I don't think we've put a lot of interest in identifying safe spaces for them to be able to skate. Right now, they are using sidewalks, benches, poles, anything they can to come with that next extreme jump. While we are looking at amateur sports, I really want us to be considering how we work with Park and Recreation, but also how we are identifying, not just our youth, but some of our young adults that are still out there. Unfortunately, I have friends that are my age that are still out there on the skateboard. I think it would be a good idea for us to be considering that as well when we are looking at how to identify different events coming around.

Cannon: You bring up something that has been a conversation in the past especially when you talk about the City being more family-oriented, so when we have different conventions and what not, these youth, those reside here and those that are visiting here have some sort of an outlet. The last skateboard park we used to have was at Scaleybark and South Boulevard. I used to go there all the time and by the way I can still skateboard. She is right, anyway to sort of rehash and engage Park and Recreation in that discussion, as well as some of the private sector, is very cheap. It is concrete, it is just pouring with dips and it is a very cheap thing to do. It is a very good past time.

Mitchell: When you think about the number one amateur sports city, what city comes to mind?

Audience: Indianapolis and Orlando.

Cooksey: Greenville, NC has got some interesting things going on with extreme to sports.

Kimble: A lot of x-games and dream sport stars come out of Greenville, NC.

Kimble: Are you ready for the main event?

Mitchell: Let me do a check in if I can with the Committee. I want to be fair to Michael Gallis. It is 1:17p.m. and I know we usually leave around 1:30p.m. Committee, how are we with time? If we go to about 1:45p.m., is everybody okay?

Kimble: This is the unveiling, the showcase of the first run at the things you had asked us to do in terms of economic impact. There has been a wide staff working on this lead by the capable Debra Campbell and she is here today with Michael Gallis.

Campbell: In the interest of time, I'm going to nimble about Michael Gallis. Before his presentation, I do want to say three or four things. The first thing I really want to thank City staff for working tirelessly on this project. We hired Michael Gallis & Associates and Frank Warren with Kimley-Horn to do a Demand Impact Analysis study for us. If you were to do this kind of analysis, it would take several months, but we compressed this into a two or three month process. The way we were able to do that is because we had a tremendous amount of participation and input from City staff. I really want you all to understand the level of effort that went into providing this information. The second thing is we were not able to quantify and will not be able to give you quantifiable numbers for the impact of the CIP with regards to the social or environmental. If we had more time and more money, we probably would get that for you. The third thing that I will say is we also did not include information on comprehensive neighborhood. You are going to see a total CIP proposed impact. It does not include the … areas; the reason being is you do different types of analysis. For the … areas, you would do a tax value analysis. For these areas, we are doing a market analysis so those areas are not included. If we need to do those we can certainly go back and do that analysis for you. Lastly, we also retained the services … who will be preparing the final document for us so you all can have more detailed information. I know Michael really likes to give you a lot of information so I will preface this by saying you want to be out by 1:45p.m. Is that correct?

Michael Gallis (Michael Gallis & Associates): Let me give you our thoughts on the economic impact and what we mean by a market demand based approach. We've spent a month with Debra discussing the methodology and the way we would approach this. What we are basically asking ourselves is what affects these investments would have on the market in Charlotte, would they increase the market demand, would they have any affect whatsoever on the market demand. You saw the Tanger Outlet and they were talking about capital improvements necessary to provide a framework for that to take place. We were asking ourselves from a real estate point of view would these investments have any effect on real estate markets to increase the demand that could result in new investments that would make the city a more desirable place. Most people think of us as planners and they don't realize how much we are involved in real estate and real estate analysis. We did the market analysis for

Doudman, a downtown mall; we did Simons and the Mills out at Concord Mills. We studied every major category of real estate commercial and residential and recently, just two months ago at the New York Exchange, we were presenting on an investor day a national market overview on the student housing market. This is something we do. As I said, this asks a simple question, what effect will the CIP have to strengthen or improve residential or commercial market conditions here in the city. There are three levels of demand, one is does it interface with other demands in such a way that at a global level will attract people in Charlotte. Second, is the demand regional meaning within our region we are more attractive relative to somewhere else in the region or is this just shifting demand from here to there inside the City, which really isn't the net gain for the City, it just says it will go here instead of there.

To do this we also said we brought in Frank Warren whose is well known, well respected guy in the field of real estate analysis. We also did some interviews with guys in the commercial and residential areas to test the ideas because our final test was if we had to stand up in front of City Council, but in front of a developer who we do business with and know, could we with a straight face present this and not just sound like some kind of Pollyanna thing done for the City to make it look good. Our test was, is this real or not, will this work in the real estate community or not. Then we asked what else is going on because the investments can't be considered a loan. What other things are affecting the market and then as overall market conditions, how does it affect social factors, economic factors, environmental and infrastructure, all measurable, but the ones we measured were economic. So as growth spills out of Charlotte/Mecklenburg and surrounding counties we want to ask about the people of the city.

On this slide we put the CIP areas. When we talk about a market area, for instance you were just talking about specific projects; we looked at Center City to University as a market area along that corridor. We didn't treat them as individual investments, we had to say how does not this investment affect the market, but how does the totality of the investment, both listed under corridors and connectors going to affect that market condition. To do that we had to look at existing trends, we had to look at projections, … populations by CDOT, we had to look at real estate sub-market data, what are the trends in that area and we had to use our own expertise and background. We also said who else is competing. This is your innovation corridor. If you are going to have a creative class in Charlotte and you are going to have innovation, it is going to happen in this corridor. It is not going to happen in the south that is not the kind of area that attracts the creative class. You've got NoDa here; you've got Central and Plaza that is the kind of environment creative class likes. So if it doesn't go in here it is going to from here up to where Murdock has put $550 million in Kannapolis and it is going to be built up into that area. We are not in this game by ourselves. It is either here or it is there.

Mitchell: To me that is Regional Partnership. From your perspective, should we be a partner in this or is it competition. How should we view Kannapolis?

Gallis: It is a question of strategy and playing the game and we just got to be smart. Because we've got more assets here and this is what we looked at, what are the assets here, what are we building on and we looked at that billion dollars going into UNCC, we looked at more than a billion in downtown, we looked at NoDa, we looked at a billion in the light rail.

Cooksey: Since we've opened up that theme, would it fair to analyze this from the perspective, as you are looking at, it is either going to be southeast of UNCC towards uptown or northeast? It could be both and over time, but if you look at the way development patterns work, is it fair to say that is more likely to be overall successful in the corridor if we start with the Charlotte part and let it build outward toward Kannapolis than rather see it go outward Kannapolis and hope it fills in backwards later?

Gallis: If it comes into Charlotte first it could later go that way.

Cooksey: That is what I wanted to get at the problem. When you skip over a segment of your geography, the idea of backfilling it in or redeveloping it becomes more challenging than if it developed from there first and then went out.

Gallis: For instance from Eastway in you've got 14 billion square feet of industrial space. That is not going to be added to by new construction. That is great for renovation. It is old, it is in the right place, it is along the light rail line and that is the perfect place for renovating the kind of space that creative class likes to use. There is not much between here and Kannapolis for that type space. When you look at the amount of existing inventory, the type of inventory, the Blue Line, take the total context and then you are saying NECI is to provide better pedestrian access to the light rail and then that becomes an investment that is building off other investment. We looked at that as far as strengthening market, if you don't do it you don't that connectivity, you don't get that renovation of that same space.

Looking at southeast Independence as a market, this is struggling for identity. My issue with Bojangles is that I hope they have a big public arts component to really make it visible. I love all the internal stuff but if you are going to affect this corridor, you've got to create a gateway and you've got to think about how that is seen from Independence, how it is seen from Monroe and let people know that is an important corridor to the city. That becomes not just a project in and of itself. As we talked about the payoff, it is great, but the payoff is how it helps define this corridor which is seeking identity.

Kimble: Page two of that plan of Ovens/Bojangles, there is angle road that takes you back to Monroe Road to create that entrance element on Monroe and then ultimately as it builds out you do, so we are in sic with what Michael is talking about.

Gallis: Our concern on that one is we need something to give identity because this area in transformation, seeking identity in the market you ask who is going to go there. Who is going to build there? For instance, the new Wal-Mart, simply a relocation, it is really not attract to the new development, so we are saying what is the market conditions, where is this market going, how will these things and investments affect the market. Then with the Airport, the billion dollars going into the Intermodal yard, opening the same year as the Panama Canal, we are getting trading flows that we've never had before from every major trading block coming through Charlotte. This is where you are going to capture that value. Right here is 1,000 acres of land on I-85 in Belmont, cross the river. We don't have that ready, it is going over here. It is going up I-85 north, it is going somewhere else. So the question is you've got a billion dollars in here you are going to be trading up. Do we capture that commercial value, create those jobs here and when you look at social effects, why the whole

thing is, you have unemployed people here that could easily get the jobs there, then you are also addressing the social issue. We couldn't quantify all of that but we talked about the number of jobs created and when you look at job structure, and we didn't give numbers to that, but here is entry level jobs, these are things you do in operation over here and you've got your neighborhood development and then you've got over there. It makes all the sense in the world. We have to think of these as markets. As Debra said we didn't look and quantify neighborhood improvement programs but we looked at the positive effects of those on the markets in these areas.

Then we looked at specific connector projects like SouthPark, what is going on with that road project. We looked at the southern end of the greenway separately than the north. In the north, we included in changing the market conditions in this which we now think of the whole thing as the innovation corridor rather than just the lower end. Prosperity Church up here, we treated that intersection as a separate more identified impact. Essentially what we did is we had real estate sub-market data, we had CDOT regional model employment data projections and this is out to 2035, 23 years because our base year was 2012. Think of 1990 to today that is 23 years so that is not so long ago looking at the past. We felt that is legit because the CDOT model goes out that far, the Blue Line analysis went that far; we took it out there. In our own expertise, we had to create a market trend line.

Cooksey: I'm sorry, but I do this every time someone talks about projections. What is the confidence level of projections out like 23 years in the future compared with projections that would have been made 23 years ago about today's condition? If in 1990 you were applying projection techniques to 2012, and if you don't have this information, I understand that. But in 1990, how accurate were predictions when predicting what things were like in 2012 so I can get a feel for how much variance we've got between now and 2035 in terms of what it might be?

Gallis: We like to think in terms of assumptions phased objections; you are saying based on this set of assumptions as they will change. I remember when Al Steward out at the University projected in 1990 that downtown office would add two billion square feet and everybody laughed and said … who thought that national bank mergers would happen. And it was in fact so far exceeded that it was surprising, but laughed at the time. I don't want to be laughed at. What we did was we took a trend line based on the factors of the way the City is being shaped, we had with the CIP what would be in … what if we didn't do the CIP would be the negative impact so there are two sides. Total value you will see is between with it and without it that is the value at stake in the CIP. From that, we computed jobs so essentially we established a trend line through this process, we then projected values; we looked at the synergies the projects would have on each other. Some have a lot and some have little and some have none. Then we looked at total project value plus the synergy value and then from that we could project jobs. It was done based on square feet of office, industrial retail that would generate in these areas and then its effect on residential values so we computed both. Then we created these pie charts and what you see in the darker color would be a project, this would be the direct value and that would be synergy value and it changes with every project. This is total value, direct value, synergy value.

Bottom line, economic benefit of this set of projects, the corridor that includes the connectors that are in the corridor, the cross trail, Prosperity Church and Park South, bottom line, direct value, synergy value being created by them being interactive, percent of the total and total value we see is over $ 2 billion and it represents about 18,500 jobs.

Howard: Over what timetable?

Gallis: 2035. What we do is present some pie charts, yellow will be the synergy value and this is the direct value.

Howard: We needed this last year.

Gallis: What we did in this corridor, this is north corridor and we see this whole thing as a market driven by the growth of UNCC, a billion bucks in here going to Informatics, PHD research, that is your foundation for an innovation economy. Center City Charlotte divided into an intersection and an outer section here and believe it or not, this intersection I said 14 million square feet of industrial, that is the Old Statesville Road, and then about 4 million square feet of industrial beyond, but out here you have 10 million square feet of office. This is your office park. Now what has happened, this is market is stalled by UNCC. It was thought of as being the new SouthPark, but it stalled. As we look at this market, second this used to be the industrial market of Charlotte, it is stalled. This is not where industrial has gone, so what happens to this, what happens to that, this is an important stock for this growing University so how do we make this happen. The Blue Line is coming in here; you've got NoDa as an anchor beginning here so how do we make this happen. We looked at the social impact in this corridor, conditions that would change economic benefits, transportation and environmental. This is just a synopsis of the whole thing. What we did is look at how it would affect the office, industrial and retail markets. This direct value is the total and if I started going through those spreadsheets, we would have to take a two-day retreat, but we have those spreadsheets, so these are numbers derived from what we think will be the direct impact of the investment. Why do we have a synergy value? This will improve all these other investments will become more valuable because we do this. This has a huge synergy because this is your access to your light rail network. Your Innovation Corridor will that work by itself, well yeah, but it won't work as well unless you have that access structure to the Blue Line. UNC Informatics, that is important symbolically but at only 5% synergy with the rest. It adds … but is it big, no. So the Innovation Corridor, that is huge, you don't do that then you can't even say we haven't applied the Innovation Corridor.

I just presented this morning a summit and I had a slide show and the headline was Atlanta wants to be … south and then I had the headline from the Business Journal that said Charlotte left on the table because we don't have the talent and background to do it. Here is Atlanta doing it but we are not doing because if we are going to do it, we are doing it here so this project has that huge effect, even bigger synergy than NECI does in terms of creating the overlay as we are going to create an Innovation Corridor strategy in Charlotte. We went through all these direct holes up here and we did the trail in here, we did the Eastern Circumferential and as you see some have less synergy, some have more. The bridges creating that because we've got to ignite that office market out there. Without those bridges that market is just sitting still. It is Harris Boulevard, it is just dead mean. Those bridges are key to activating that market and that retail in University City that is sitting half empty right now. We've got to get that back on track to ignite that end of the corridor downtown, NoDa and the whole thing in between. So it comes out here, what we've got then is total value $843 million, almost a billion dollar value there.

We summed it up and here we added the jobs and we did that by per square foot for office retail, etc. We got 2,744 estimated jobs created out there and we didn't account for the business, but this is the development activity that we would see impacted by … so this is your total synergy value in individual projects out there.

Independence, again you have an inner part to it and an outer part. As I said this in the market place, you talk to an industrial developer, Independence just forget it. Office, the same thing, you don't mind if you come out here. What are the investments out here with the Bojangles here and the other investments here? We looked at what is going on social, economic, all these factors and tried to understand that in the framework. The Bojangles we thought had a significant synergy with the rest. The sidewalks and bikeways are just huge as well as the public/private development because the private developers are not looking at this corridor. It doesn't have an identity, it can't figure out what to do with it. We are going to need some kind of incentive to get people interested. They won't get interested unless Bojangles happens unless we got neighborhood and community investments going on that they can tie into. Go back two slides - This corridor has a huge synergy of value. See this corridor has a 38% synergy between the projects total. This one is 51%. This because it needs an identity and so you can't just say what are the sidewalks worth. They are only worth something in relationship to doing other things. To build a new identity down this part of town because this part of town moves this part of the City and it is very important as a market area.

Mitchell: If we can be the catalyst of development would occur.

Gallis: That is the whole point. How does private investment spawn public investment and at different scales. The Innovation Corridor is going to potentially bring in from the national and international audience people to Charlotte for business startups, for that innovation that they know we are in that game. Atlanta has come; they are 12th on the list. We are not on the list so we got to get armed and say we want to build an innovation economy. I just heard all the partnership … target industries. That is what we've got to have. What we need is new industry, new startups to create and churn an opportunity here where people see this as a startup city as an innovation city. Is the issue the way you think about economic development? We've always been a beauty contest and it is time to think about ourselves mentally that it is an intellectual contest. Let's be an innovation city, let's get people involved in that part.

Cannon: I think the left side of ours is working creatively, but trying to get the private sector involved, sometimes we can go in and we can put in the public infrastructure or the investment that is needed and sometimes they might be slow to come, but then we've had innovators in this community that have been on the private side that have gone and ignited private sector investment and public investment followed. We have to find the right people in the right places I think to help us create smart ideas and thoughts and investments.

Gallis: We've got some of that started because the banks are spawning a tech industry to serve the financial industry. This is happening, we just haven't captured it.

Cannon: Here is the point. I could go to one of the ivory towers, to the top of it and stand with a man who would look out and say, do you know what, something needs to happen over there, and you know what, I'm going to go over there and make something happen. The days of that person some

will say have gone, but I would love to see Monahan down here sometime, pitching some of the same thoughts and ideas to be able to move us forward. There is another gentleman out in South Charlotte who thinks and does things the same way and created a smart growth development. I'm just saying we need those same kind of thoughts and eyes and vision for the northwest tier, for the eastern tier.

Gallis: And this I think talking about a catalyst, give us a reason to have that conversation, and doing this gives us a basis for having that conversation.

Cannon: I guess I'm saying all this to say I don't know that we have a problem with wanting to do what needs to be done on our side of the water. It is just a matter of moving forward with the CIP that makes some sense that gets us to where we need to be. I kind of feel like you are preaching to the choir and yet we need to find another church somewhere. This is great information, I love it.

Gallis: It fascinated us and I want to thank Debra for involving us to think about the City as part of this. The Airport, this is kind of a no brainer hanger coming in down here. The road network here, but here is the deal on this. CMUD, which is not part of the CIP is … so what we are doing, we are spending tons of money. Sewer and water without these roads, would the development be scattered so what we've got in these roads is these are the primary … roads that will in fact provide the infrastructure to sewer and water for a major, major expansion taking place here so we've got to get ready. Norfolk-Southern has rearranged its east coast service; this will be a key hub. We had done the planning for … in Columbus, Ohio based on this model. They didn't have the complexity that we had as a major air and hub so they actually got in the ground. Norfolk-Southern knows the effect and it has already been shown to be an effect on land values and development activity when you feed this kind of thing. Ours will be more efficient. We are going to get direct access from the Port of Miami, Savannah, Charleston and Norfolk flowing in here. It is going to be transformation and you've never seen anything like it and it is going to come right down this corridor or it will go somewhere else. It has got to get in before 2014. It all has to be done by then. Just the jobs alone, people in this area will be able to point there is a job right there. It is not on the other side of town, it is right there. Economics, transportation and of course … we have to do that, environmental – huge.

This one, the two roads are interactive so it creates the single biggest economic impact, a billion dollars.

Cooksey: You said something a moment ago that was part of my concern with the way our Capital Investment Plan was talked about last year and that was as though the General Fund component of the CIP was the only capital investment we were doing. What we continued to overlook, and you referred to it with the CMUD investment, we continued to overlook that there are actually four basic components of our CIP, there was General Fund, Aviation, CMUD and Storm Water. It particularly, while I appreciate what your charge was and what your brief was, given seeing how you are presenting this particularly with the synergy issue, and trying to grasp at my trained as a historian, not as an economist mind, this synergy concept it would have been interesting to have a line item on there too about what CMUD is going to be doing in the CIP and what its direct value is and what its synergistic value is with the other components of the CIP. Similarly perhaps with Aviation because I see the impact here, but what I'm seeing as a student of our budgeting process is that this is still only a fragment of the investment going on by the City in the Airport West Corridor when you factor in our

Aviation CIP and our CMUD CIP. That to me magnifies the impact of these roads even more. I've always been supportive of these roads, I just couldn't articulate why.

Kimble: We've got a billion dollar … construction going on at the Airport.

Gallis: So what you've got is Norfolk-Southern already talking about that consolidation and that is going to resonate out to global markets about Charlotte being the place to be because we have the most efficient transfer, the most reliable, lowest cost transfer hub on the east coast of the U.S. We should be marketing the fact that we are the city that is going to be different, that are doing it right, being the most efficient city on the east coast. We are doing things here that the world needs to know about. So how much are the roads going to cost?

Kimble: $43 million.

Gallis: For $43 million you get a billion dollar return. The other projects, these are old corridor projects so we tried to say what is Garrison Road that will have a big effect. Dixie River will be …, but they are so interactive you can't think of them alone. We looked at the southeast corridor, we looked at Prosperity and we've put it all together. Essentially what we came to $2.2 billion, 18,000 jobs. On the Airport thing my friends wouldn't let me go where I wanted to go with the impact on the total market within the City with just looking at that market. We just looked at the CIP but there will be other effects throughout the whole city we weren't asked to do, supports this job but it is an integrated approach that produces synergy. That is why a market-based approach says how do I change the market as opposed to does this bridge produce two more buildings. The market doesn't work that way. It works like this market is grouping and it affects the total behavior across that market and that is where we begin to think of this a little bit differently in our analysis on how you ignite markets or change their behavior to improve their condition. There is over five billion dollars when you look at UNCC, look at the Airport, look at the museums, you look at hospitals in Center City, across the city and the new completion of the interstates, just the big investment, just the major kind of game changers. So with $5 billion being invested already how do we capture the value and magnify that value. Then it creates not only economic values but social values, transportation, environmental and most importantly it strengthens the competiveness of Charlotte. We have an unusual city in that the Airport is in the city, big universities in the city, headquarters are in the city. The city is the engine of this region. I've done a lot of work in Detroit and love Detroit and I'm one of the guys who actually like to walk around downtown Detroit but when the center city falls apart it affects the identity, it affects the future, it affects the whole place. So this is more than just the projects. It is about the way we think of the Center City and it is not this neighborhood and that neighborhood, it is the whole place working together to become a strong Charlotte.

Campbell: The only thing that I would add is I truly want to recognize and acknowledge how the City Manager's Office was involved. You can see from that photograph, all those maps, we literally sat down and … coaching us trying to understand all that stuff.

Gallis: I want to reinforce staff, these meetings; we had two per week for seven weeks and over a two-hour minimum, sometimes three hours going back and forth about the data of markets, about projections, about … about the impacts, back and forth and back and forth. It was not done one of these consultant reports where they went back and said here it is. I do want to emphasize that and

there was enormous commitment by the staff that really congratulated and I don't want to pick out individuals but everybody did great work. I think what you are seeing you can feel comfortable that it wasn't just some guy that ran in gave us this stuff that makes it look good, this was tested and retested and vetted each step along the way.

Cannon: Can I just simply say thank you to Michael Gallis and Associates, Frank Warren, Kimley-Horn and all the City departments that have been affiliated with this because certainly without you all, I really don't know where we would be. We wouldn't be in a good place. But because you all took the time and the energy and put forth an effort beyond even ours in a lot of respects, we just appreciate it and this city will be so much better because of the level of time and investment and commitment that you all have invested in it. We appreciate you so much.

Mitchell: Thank you Michael. You owe Debra a big favor, she lobbied for you for additional 15 minutes and we agreed.

III. SBO PROGRAM REVISIONS

Mitchell: There is one important thing we have to do and that is the SBO. We need to decide on a name. Kim, did you bring the three names with you?

McMillian: I just have two things to tell you. You have a nominal response to your survey and you have two top leaders. Charlotte Business INClusion and Prospect Charlotte. What we are asking for is direction so that we can go that is creative and present you with some creative concepts with your March Workshop.

Cooksey: I can't believe I raised my hand to talk about something I'm going to wind up voting against, but I'll do it anyway. We had talked about this question of whether the nice governmental acronym MWSBE was something that would resonate with anybody, but looking at these two, if this is the direction that Council is going in the feedback, I would give is I think Charlotte Business INClusion communicates what it is the city is aiming for more than Prospect Charlotte does. I like Prospect Charlotte and I think we can get a lot better graphics and punch with Prospect Charlotte, but I don't think it is going to convey what the meaning is.

McMillian: that is why we paired the tagline and when the community responded they actually paired those two together.

Cannon: My vote would be for the first one as well, Charlotte Business INClusion. It says two things, one it says we are about business in the way of Charlotte Business, Inc. as you noticed the INC being capitalized. Then of course the level of inclusion which speaks to the ideal of how we are trying to incorporate business opportunities for people across the board where they are represented I think speaks to that. Prospect Charlotte in my opinion doesn't dig deep enough to what needs to be defined.

VOTE: Cannon made a motion to accept Charlotte Business INClusion connecting MWSBE's with opportunities as its tag. Mayfield seconded the motion and the vote unanimous. Mr. Howard was absent for the vote.

IV. NEXT MEETING DATE

Mitchell: If you look at our next meeting, let me make a suggestion on the topic Capital Investment Plan, Streetcar. I think with the new committee that the Major just formed, co-chaired by David and Jill, they are studying our whole transit model. Would you all be opposed, they are supposed to come back in April, let that process include the Streetcar and so we will wait until they finish their work to bring it back to this Committee? Anybody opposed to that?

Cannon: Given when we are supposed to report out how does that stack with the timetable?

Kimble: April 10th.

Mitchell: No, our report was March 20th, but I think if we report at a Dinner Briefing on where the Committee feels we need to go, I just think there is so much synergy and I don't want to get ahead when they are looking at the whole funding of our transit. That is part of the argument doing Streetcar by itself and it needs to be inclusive. If nobody is opposed to that, I would rather wait until they finish in April and to Mr. Cannon's point we will probably look at this in May.

Cooksey: I agree with Mr. Chairman.

Kimble: The moral of your story on MWSBE is INC it beat, dig it and work it.

The meeting was adjourned at 2:00 p.m.

Economic Development Council Committee
Thursday, February 21, 2013 at Noon
Room CH-14

Committee Members: James Mitchell, Chair
Patrick Cannon, Vice Chair
Warren Cooksey
David Howard
LaWana Mayfield

Staff Resource: Ron Kimble, Deputy City Manager

AGENDA

I. <u>TANGER/SIMON OUTLET PROJECT – 30 minutes</u>
Staff: Ron Kimble, City Manager's Office, Mike Davis, CDOT & Brad Richardson, N&BS
(Council will be asked to refer this item to Committee at the February 18th Zoning Meeting)
Action: Staff will provide information related to the request by Tanger Factory Outlet Centers and Simon Property Group (Tanger/Simon) for the City's financial participation in certain public road and infrastructure improvements through an infrastructure reimbursement agreement.

II. <u>CAPITAL INVESTMENT PLAN– 60 minutes</u>
Staff: Ron Kimble, City Manager's Office, Brad Richardson, Neighborhood & Business Services
Guest: Michael Gallis, Michael Gallis & Associates
Action: Staff will provide an overview of the Bojangles Coliseum/Ovens Auditorium Redevelopment and the Applied Innovation Corridor. In addition, staff and consultant Michael Gallis will provide an update on the development impacts of the capital projects under review by Committee.

III. <u>SBO PROGRAM REVISIONS – 5 minutes</u>
Staff: Kim McMillan, Corporate Communications & Marketing
Action: Staff will provide an update on the survey feedback for a new program name and tagline. No action required.

IV. <u>NEXT MEETING DATE: Thursday, March 7, 2013 at Noon, Room CH-14</u>
Tentative Schedule:
- CMU Sewer Service Billing System
- Capital Investment Plan
  - Streetcar

Distribution: Mayor/City Council Julie Burch, Interim City Manager Leadership Team Executive Team

CHARLOTTE
NEIGHBORHOOD & BUSINESS SERVICES

Tanger/Simon Premium Outlet Mall

Infrastructure Reimbursement Agreement

Economic Development Committee

February 21, 2013

CHARMECK.ORG

CITY OF CHARLOTTE

Background

- In October, Tanger Factory Outlets (Tanger) announced plans to build an outlet mall in southwest Charlotte.
- Simon Property Group (Simon) also announced plans to build a similar concept in Stallings (Union County).
- In November, Tanger and Simon announce a joint venture to develop the Tanger/Simon Premium Outlet Center in southwest Charlotte.
  - Stallings option remains if financially more viable

CHARMECK.ORG

CHARLOTTE

CITY OF CHARLOTTE

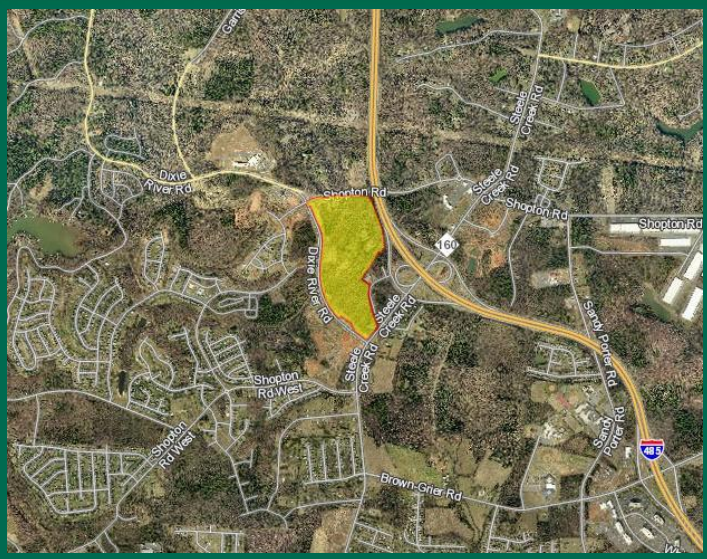
Background

- In November, Tanger/Simon approach City about public/private partnership for infrastructure investment.
- From November – February, staff worked to develop the conceptual framework for an infrastructure reimbursement agreement for roadway improvements.
- On February 18, 2013, City Council referred the item to Committee for review.

CHARMECK.ORG

CITY OF CHARLOTTE

Project Overview



CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Project Overview

CHARMECK.ORG

CITY OF CHARLOTTE

Project Overview

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Project Overview

- 400,000 square foot outlet mall.
- 80,000 square feet of additional retail and restaurant space and a 120 room hotel.
- Outlet mall investment of $82 million.
- Partner investment on adjacent parcels of $24 million.
- 900 part-time/full-time jobs (estimated at 425 FTEs).
- 200 construction jobs.

CHARMECK.ORG

CITY OF CHARLOTTE

Project Overview

- Anticipated annual sales tax revenue of $825,000 (City) and $1,920,000 (County).
  - 45% from outside of local market
- Projected $100 million in new taxable value (outlet mall and related development) once stabilized.
  - $400,000 estimated annual City property taxes
  - $750,000 estimated annual County property taxes

CHARMECK.ORG

CITY OF CHARLOTTE

Proposed Reimbursement Agreement

- Tanger/Simon's total off-site infrastructure cost is estimated to be $8.5M.
- CMU will provide $800K in reimbursement for water/sewer infrastructure that will broadly serve Southwestern Mecklenburg County.
- Tanger/Simon has requested partial reimbursement of the approximately $7.7 M in offsite roadway improvements remaining.
- This represents significantly higher infrastructure costs than other recent Tanger outlet projects
  - Mebane, NC ($1M)
  - Glendale, AZ ($500K)
  - Galveston, TX ($0)

CHARMECK.ORG

CITY OF CHARLOTTE

Steele Creek – Dixie River Infrastructure

- CDOT has identified 11 specific roadway improvements that provide benefits to the general public with an estimated cost of $5.143M
  - $4.994M construction cost
  - $150,000 – 3% contingency
- Improvements provide improved connectivity, congestion mitigation, safer vehicle operations and future economic development opportunities.

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Steele Creek – Dixie River Infrastructure

	Improvement	Cost
1	Shopton Rd at Dixie River Rd (future signal)	$83,000
2	Dixie River Rd Between Steele Creek Road (NC 160) & Shopton Rd	$626,000
3	Steele Creek Rd (NC 160) & Brown-Grier Rd (signalized)	$70,000
4	Steele Creek Rd (NC 160) & I-485 Outer Ramps (future signal)	$100,000
5	Steele Creek Rd (NC 160) & I-485 Inner Ramps (future signal)	$86,000
6	Steele Creek Rd (NC 160) & Shopton (signalized)	$170,000
7	Trojan Drive Between Steele Creek Rd (NC 160) & Shopton Rd	$2,333,000
8	Steele Creek Rd Improvement	$795,000
9	Dixie River Rd & Proposed Access "E" (2-lane roundabout)	$442,000
10	Steele Creek Rd (NC 160) & Trojan Drive/Rigsby Road (unsignalized)	$72,000
11	Dixie River Rd & Proposed Access "C"/Future Berewick Commons Parkway Extension (future signal)	$217,000
	Total with 3% contingency	**$5,143,000**

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Policy Framework

- The request meets Council's adopted Synthetic Tax Increment Finance Policy –
  - Category A - Infrastructure

    "This method involves building or paying for new public infrastructure such as roads, streetscapes and parking decks that entice development that would not otherwise occur. Incremental taxes generated as a result of the infrastructure can be used to repay debt or buy infrastructure."

- The project qualifies for a 10 year, 45% Tax Increment Grant.

CHARMECK.ORG

CITY OF CHARLOTTE

Tax Increment Grant Terms

- 10 year term
- 45% of the net new property taxes paid in TIG area.
- $5.143M in reimbursed infrastructure cost.
- 3.25% interest cost of carry (municipal rate).
- Maximum reimbursement amount of $6.15M.

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Tax Increment Grant Terms

- Tanger /Simon must request first grant payment within three years after CDOT accepts improvements, and after voluntary annexation into City of Charlotte.
- Interest accrual begins at time of first TIG payment request.
- Annual TIG payments will be applied to interest first, then principal balance.
- Any unpaid interest is not added to principal.
- TIG ends at 10 years, or when grant payments equal $6.15 million, whichever is sooner.

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Tax Increment Grant Terms

- Over the term, the 45% TIG is estimated to generate $5,984,840 in payments to Tanger/Simon.
  - $2,130,603 (City)
  - $3,854,237 (County)
- Over the term, City and County will receive 55% of the new property tax revenue from the site which is estimated to be $7,313,154.
  - $2,603,482 (City)
  - $4,709,672 (County)
- Approval of this agreement would leave an estimated $2.6 million per year remaining capacity under the Council's Tax Increment Financing Policy.

CHARMECK.ORG

CITY OF CHARLOTTE

Mecklenburg County

- On February 19th, the Board of County Commissioners unanimously approved their portion of the Infrastructure Reimbursement Agreement.

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Council Action Requested

- Recommend that City Council authorize the City Manager to negotiate and execute an Infrastructure Reimbursement Agreement with Tanger/Simon for the construction of certain roadway improvements which will be repaid through 45% of incremental City and County property taxes from a designated area over 10 years in an amount not to exceed $6.15 million.
  - Contingent upon the approval of Rezoning Petition #2013-001.

CHARMECK.ORG

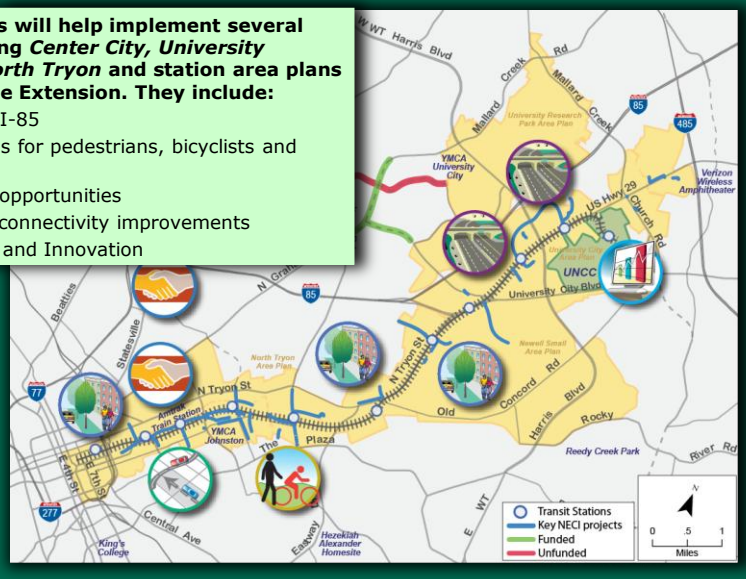
CHARLOTTE.

CITY OF CHARLOTTE

Applied Innovation Corridor

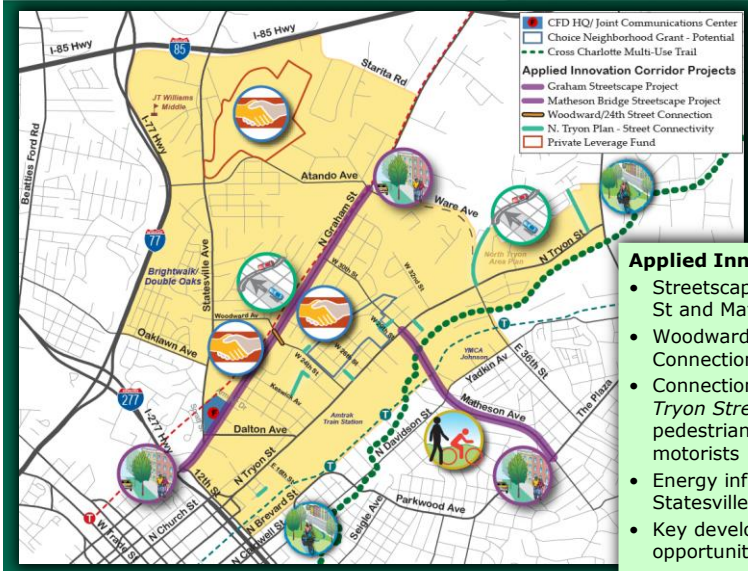
These investments will help implement several area plans including *Center City, University Research Park, North Tryon* and station area plans along the Blue Line Extension. They include:

- New bridges over I-85
- Transit connections for pedestrians, bicyclists and motorists
- Key development opportunities
- Streetscapes and connectivity improvements
- UNCC Informatics and Innovation



CITY OF CHARLOTTE

Applied Innovation Corridor



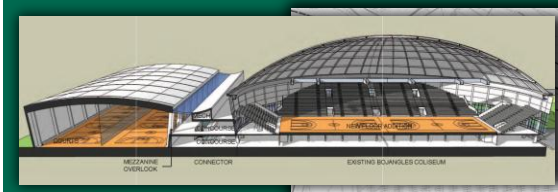
Applied Innovation Corridor

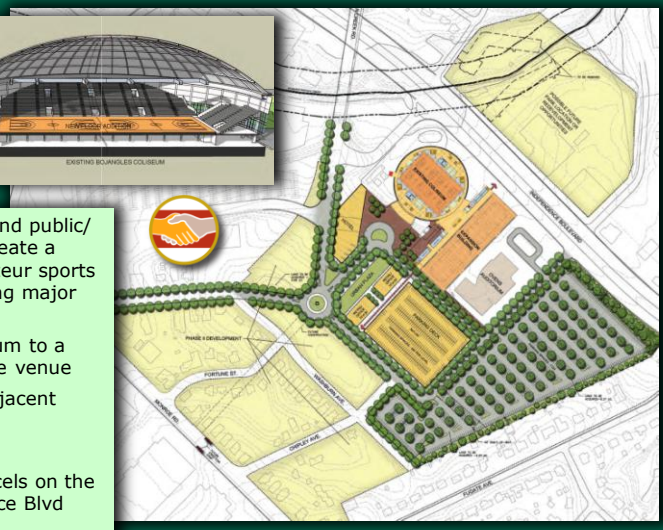
- Streetscaping along Graham St and Matheson Ave
- Woodward/24th St Connection
- Connections identified in the *Tryon Street Area Plan* for pedestrians, bicyclists and motorists
- Energy infrastructure at Statesville Ave Landfill
- Key development opportunities

CHARMECK.ORG

CITY OF CHARLOTTE

Bojangles/Ovens Area Redevelopment





- Use existing City assets and public/ private partnerships to create a destination-defining amateur sports complex capable of hosting major events
- Convert Bojangles Coliseum to a multi-court, multi-purpose venue
- Acquire and redevelop adjacent hospitality parcels
- Improve area streets
- Potentially redevelop parcels on the north side of Independence Blvd

CHARMECK.ORG

Northeast Corridor
Applied Innovation Corridor Improvements
$28 million

The Center City 2020 Vision Plan recommends targeted economic growth and industry recruitment in an 'Applied Innovation Corridor' (AIC) extending from the Center City to UNCC. This strategy builds upon the development momentum that exists in Uptown and South End. Future commercial and residential development in this zone could close the gap between these areas and the University, linking and leveraging our city's academic and research capital with its business assets and governmental support. Future 21st century jobs recruited to the AIC would focus on growing industry clusters in energy production and infrastructure, biosciences, informatics, and health care. It would attract start-ups and expanding firms in innovative industries, foster the transfer of research from academic institutions to industry, utilize Charlotte's advanced business management resources, and improve interregional connectivity.

A significant opportunity within the AIC is located in an area bisected by Graham Street and generally bounded by Interstate 77, Interstate 85 and North Brevard Street. In addition to its proximity to Uptown, the area benefits from easy freight movement, future light rail and commuter rail stations, quick connections to Uptown's major transportation centers, new pedestrian and bicycle linkages, and existing affordable and workforce housing stock.

Project Ideas:

1) Graham Streetscape Project **($10m)** – Graham Street is State-maintained as a major commercial/industrial corridor into Uptown. Limited by a narrow Right-of-Way and building setbacks, the road is largely devoid of pedestrian amenities that attract development. Further constrained by a railroad Right-of-Way to the west, the street has little room for physical enhancements, yet is a critical street in the overall improvement of the area. This project envisions adding new sidewalk and planting strips where possible.

2) Matheson Bridge Streetscape Project **($6.5m)** – This project would convert Matheson Avenue from a four-lane undivided, uninviting street into a two or three-lane urban 'complete' street better connecting North Davidson's business district to a potential redevelopment of Delahay Courts/Tryon Hills, currently being considered for a HUD Choice Neighborhood Grant. The goal is to create a safe, high-quality connection for pedestrians, runners, bicyclists and motorists by narrowing the road and adding lights, sidewalks and bicycle amenities to this connection, which offers unobstructed views of the Charlotte skyline. This project involves a minimum reconstruction of Matheson between Tryon Street and Jordan Place, and resurfacing/restriping Jordan Place to The Plaza.

3) Woodward/24th Street Connection **($2.5m)** -This project would align two streets that are offset along Graham Street and adjacent to the current Rite Aid distribution facility. Located near several neighborhoods with limited retail opportunities, the land around this area does not meet modern development standards because of the offset street network. Realigning 24th Street to Woodward to make a four way intersection creates a viable retail location to serve multiple neighborhoods, and creates a potential "town center" concept with a redeveloped Rite Aid site.

4) Tryon Street Plan - street connectivity **($5m)** – The North Tryon Area Plan recommended the restoration of the neighborhood street grid to provide greater connectivity within and between residential and commercial areas.

5) Private Leverage Fund **($4m)** – This fund is designated to provide infrastructure and/or gap financing for projects within the Applied Innovation Corridor, such as development around the City-owned Statesville Avenue landfill, a redevelopment around the Rite Aid distribution center redevelopment, or redevelopment around J.T. Williams school site at I-77/Statesville Road.

East/Southeast Corridor
Bojangles Coliseum/Ovens Auditorium Area Redevelopment
$25 million

Charlotte has become increasingly successful as a destination for amateur and youth sports tournaments over the past decade under the leadership of the Charlotte Regional Visitors Authority (CRVA). In recent years, the amateur sports market has been responsible for approximately 50% of the CRVA's overall room night production. While these events have primarily used facilities owned and managed by Mecklenburg County Park and Recreation Department, the CRVA has identified a need for additional indoor facilities to attract additional amateur sporting events to the community.

Market Impact and Potential

A February 2012 UNCC report entitled "The Economic Impact of Sports and Sports Events on the Charlotte MSA Economy" measured the economic impact of amateur and youth events at $232,528,091 for calendar year 2011. Furthermore, the amateur sporting events normally occur over low demand periods, adding significant, incremental economic impact to the hospitality and retail sectors during times of lower business demand.

CRVA staff has had initial conversations with representatives of several amateur sports governing associations, which are potential users of a new indoor amateur sports complex. These include archery, badminton, basketball, bowling, boxing, cheerleading, fencing, gymnastics, handball, judo, mixed martial arts, powerlifting, table tennis, volleyball, weightlifting and multi-sport events (such as the State Games of N.C.) These discussions included a review of the proposed plan and potential for these sports competitions to use such a facility. CRVA reports strong interest in the Charlotte market.

Concept Plan

The City would use the $25 million in capital funds to raise the floor level of Bojangles Coliseum to accommodate additional playing courts and acquire adjacent land for future hotel development, structured parking and/or complementary uses such as retail. Further, the City envisions partnering with the private sector for the construction of a new building between the existing coliseum and auditorium that provides an additional 67,000+ square feet of flexible, multi-sport playing surface. The goal is to create a facility with capacity to accommodate twelve full size basketball courts that can be adaptable to a variety of configurations and uses. Seating capacity in Bojangles Coliseum would be reduced from 10,000 to 7,000, but the facility, along with Ovens Auditorium would still be marketable for many civic uses, such as concerts and high school graduations.

CHARLOTTE.

Proposed Capital Investment Plan (CIP)

Demand Impact Analysis

A Market-Based Approach

Analysis Team

The analysis was conducted by Michael Gallis & Associates and Frank Warren of Kimley-Horn, in collaboration with an Inter-Departmental Work Team:

- Aviation
- Budget
- CATS
- CDOT
- City Manager's Office
- CMUD
- Engineering & Property Management
- Finance
- Neighborhood & Business Services
- Planning

The team held nine multi-hour work sessions to examine data and give feedback.

City of Charlotte
Proposed CIP

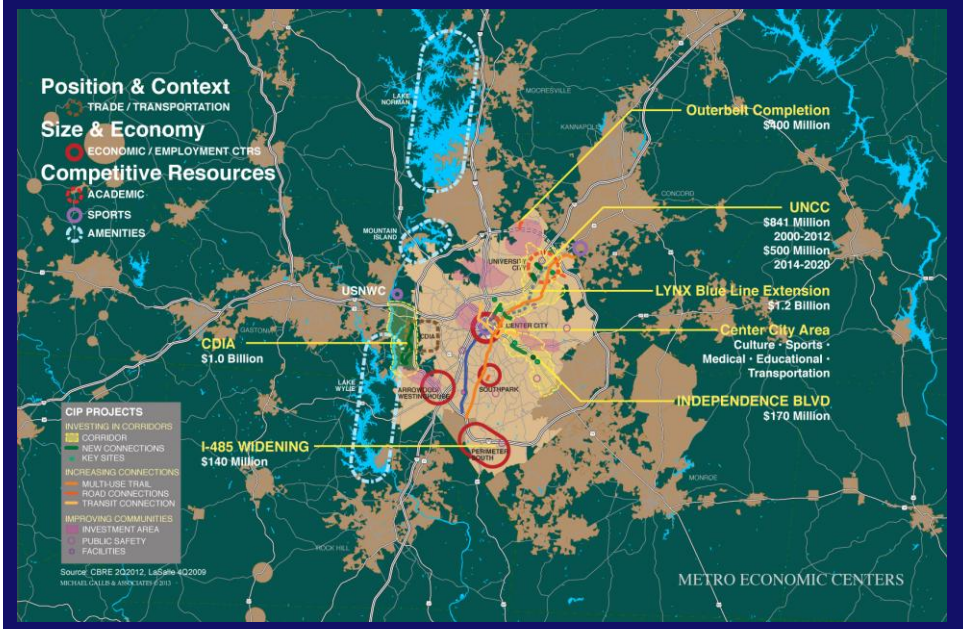
DEMAND IMPACT ANALYSIS

A Market-Based Approach

- **Demand Impact Analysis focuses on the extent to which CIP investments affect, strengthen or improve residential and commercial market conditions.**
- **It considers both quantitative and qualitative dimensions of social, economic, environmental and infrastructure categories.**
- **In this new era of limited geographic expansion and revenue growth for Charlotte: to what extent will CIP investments impact the future vitality and attractiveness of the City?**

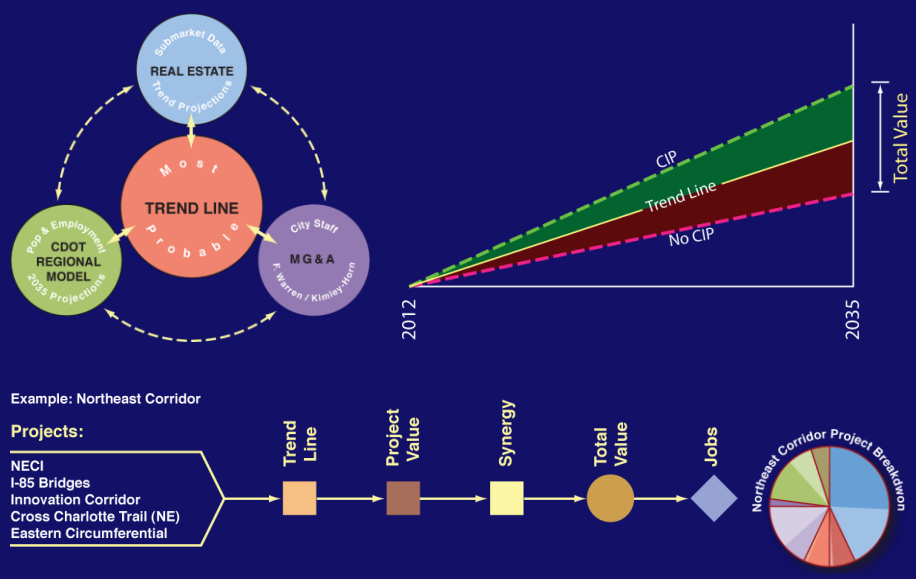
City of Charlotte
Proposed CIP

Economic Generators ● Investments ● CIP



City of Charlotte
Proposed CIP

Process



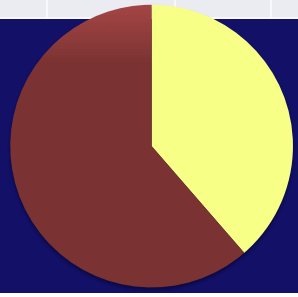
City of Charlotte
Proposed CIP

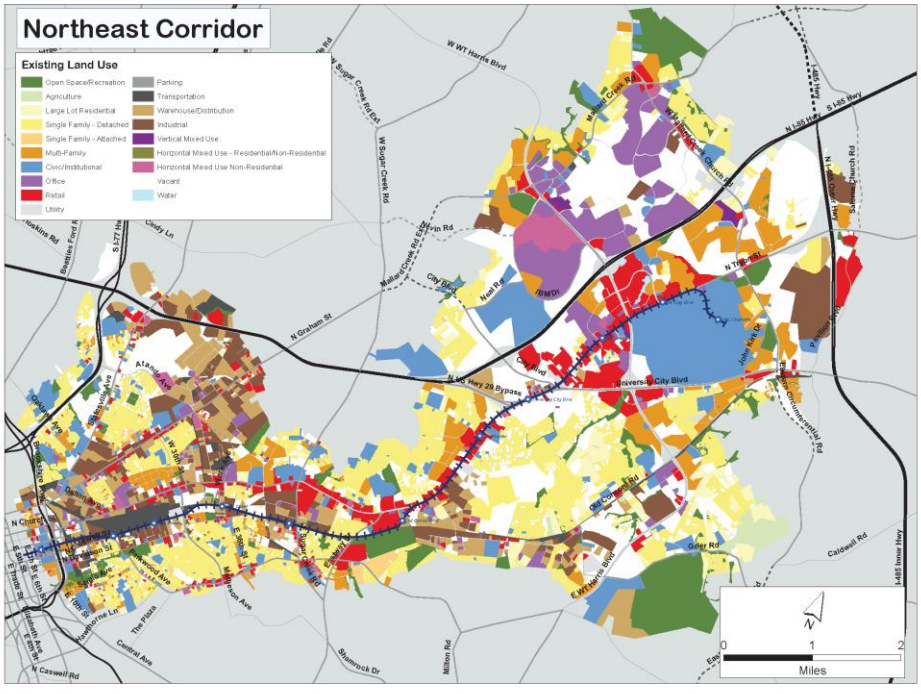
CIP Economic Benefits Summary

CIP: Corridors & Connectors - Economic Benefits Summary 2035

	Direct Value	Synergy $	Synergy %	Total Value	Employment
Northeast Corridor Total	$525,324,344	$317,978,273	38%	$843,302,618	7,773
East/Southeast Corridor Total	$59,712,214	$63,120,091	52%	$122,832,305	1,401
Airport/West Corridor Total	$471,370,103	$471,370,103	50%	$942,740,205	6,910
Cross Charlotte Trail (South)	$218,035,171	$0	0%	$218,035,171	577
Prosperity Church Road	$76,379,896	$0	0%	$76,379,896	1,834
Park South Drive	$3,624,269	$0	0%	$3,624,269	
Total Corridors & Connectors	$1,354,445,997	$852,468,466	39%	$2,206,914,463	18,495

Total: Corridors & Connectors





City of Charlotte
Proposed CIP

Northeast Corridor Key Benefits

The area between Center City and University City needs improvement. The area around UNCC can build upon recent successes and realize its enormous potential through targeted investments and capitalizing on its assets. These investments can change the position of Charlotte within the national innovation and technology economy marketplace.

Social
- Increases entrepreneurial and employment opportunities for area residents
- Improves livability and desirability of the area
- Synergies with investments in Double Oaks and implementing area plans

Economic
- Changed market conditions attract technology and innovative companies
- High quality jobs in technology, biosciences, health care and energy industries
- Synergy with Center City Vision 2020 of Graham as entrepreneurial corridor

Transportation/Infrastructure
- Improves access between key employment nodes and mobility for residents
- Synergy with BLE by increasing density and business activity on corridor

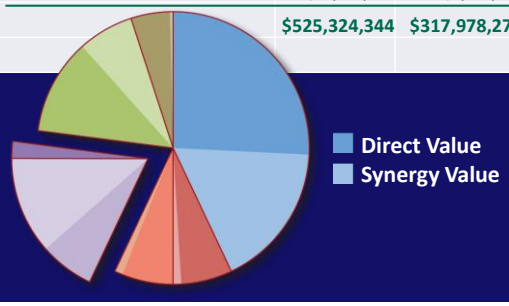
Environmental
- Streetscape improvements
- Improved conditions at Old Statesville landfill
- Synergies with storm water and water supply capacity improvements in area

City of Charlotte
Proposed CIP

Northeast Project Breakout

Northeast Corridor Project Breakout 2035

	Direct Value	Synergy $	Synergy %	Total Value
NE Corridor Infrastructure (NECI)	$217,390,188	$144,926,792	40%	$362,316,980
I-85 Bridges				
Research to JW Clay	$51,216,8523	$8,117,476	14%	$59,334,329
IBM to IKEA Blvd	$51,216,8523	$8,117,476	14%	$59,334,329
Applied Innovation Corridor				
Applied Innovation Corridor	$54,536,877	$97,257,594	64%	$151,794,471
UNCC Informatics	$16,022,750	$843,303	5%	$16,866,052
Cross Charlotte Trail (NE)	$95,742,409	$55,748,917	37%	$151,491,325
Eastern Circumferential	$39,198,414	$2,966,716	7%	$42,165,131
	$525,324,344	$317,978,273	38%	$843,302,618

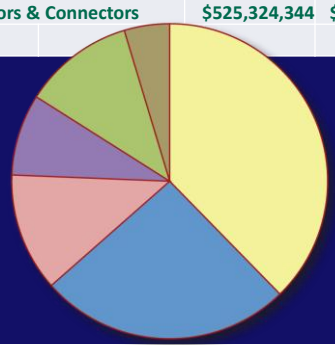


City of Charlotte
Proposed CIP

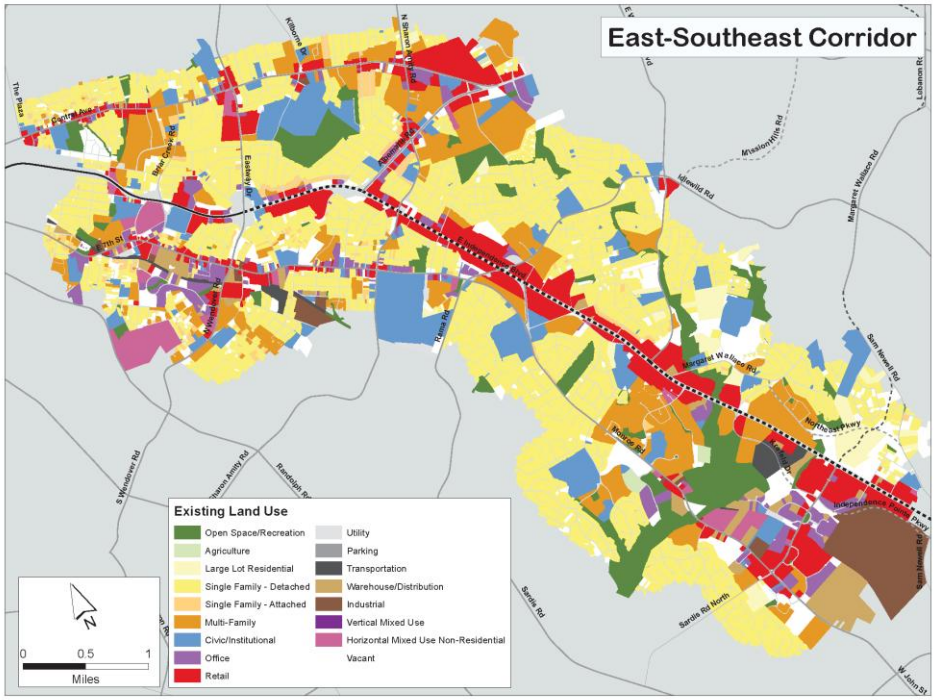
Northeast Corridor Summary

Northeast Corridor Economic Benefits Summary 2035

	Direct Value	Synergy $	Synergy %	Total Value	Jobs
NE Corridor Infrastructure (NECI)	$217,390,188	$144,926,792	40%	$362,316,980	1,866
I-85 Bridges	$102,433,706	$16,234,952	14%	$118,668,658	1,244
Applied Innovation Corridor	$70,559,627	$98,100,897	58%	$168,660,524	567
Cross Charlotte Trail (in NE)	$95,742,409	$55,748,917	37%	$151,491,325	583
Eastern Circumferential	$39,198,414	$2,966,716	9%	42,165,131	350
Total Corridors & Connectors	$525,324,344	$317,978,273	38%	$843,302,618	2,744



Synergy



City of Charlotte
Proposed CIP

East/Southeast Corridor Key Benefits

This established corridor has seen decline and needs to be boosted. This corridor has local and district scale market change potential. These investments have the potential to change the Eastside's market and development potential within the City of Charlotte.

Social
- Provides a community focus and strengthens community fabric through higher density residential and commercial development along Monroe Road
- Improves neighborhood amenities and shopping
- Creates a catalyst for revitalizing the area through redesign of Bojangles/Ovens

Economic
- Creates three parallel economic corridors: Independence serves large-scale highway-oriented businesses; Monroe and Central serve local neighborhood and economic activity
- Improves market conditions to support economic viability of the three corridors

Transportation/Infrastructure
- Improves performance of Independence and connections to neighborhoods
- Creates a network of pedestrian and bicycle paths throughout neighborhoods

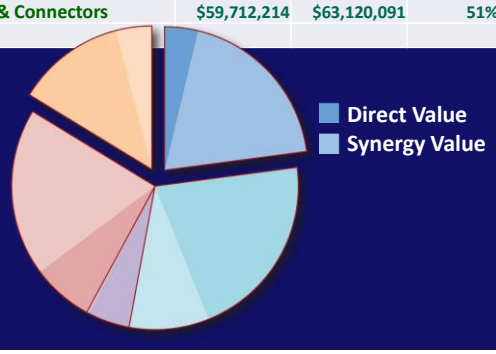
Environmental
- Reuse/redevelopment of unutilized or underutilized brownfield parcels

City of Charlotte
Proposed CIP

East/Southeast Corridor Project Breakout

East/Southeast Corridor Project Breakout 2035

	Direct Value	Synergy $	Synergy %	Total Value
Implement Independence Blvd Plan				
Public Private Redevelopment	$4,596,430	$23,536,338	84%	$28,132,768
Monroe Road Streetscape	$25,794,784	$11,054,907	30%	$36,849,691
Idlewild/Monroe Rd Intersection	$5,834,534	$307,081	5%	$6,141,615
Sidewalks and Bikeways	$8,479,599	$23,219,476	73%	$31,699,075
Bojangles/Ovens Redevelopment	$15,006,866	$5,002,289	25%	$20,009,155
Total Corridors & Connectors	$59,712,214	$63,120,091	51%	$122,832,305

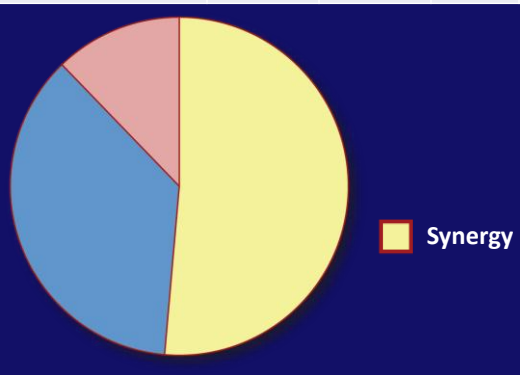


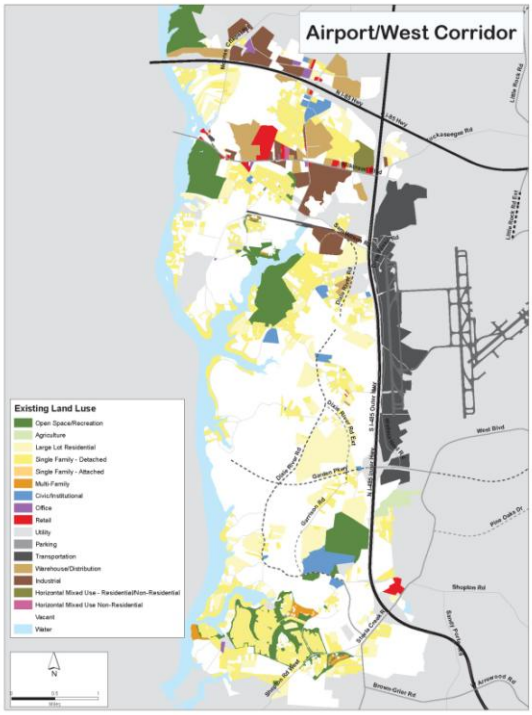
City of Charlotte
Proposed CIP

East/Southeast Corridor Summary

East/Southeast Corridor Economic Benefits Summary 2035

	Direct Value	Synergy $	Synergy %	Total Value	Jobs
Implement Independence Boulevard Plan	$44,705,348	$58,117,802	57%	$102,823,150	445
Bojangles/Ovens Redevelopment	$15,006,866	$5,002,289	25%	$20,009,155	263
Total Corridors & Connectors	$59,712,214	$63,120,091	51%	$122,832,305	707





City of Charlotte
Proposed CIP

Airport/West Corridor Key Benefits

This corridor area is a 'new frontier' with potential that needs to be captured and maximized. This corridor has global and national scale market change potential. These investments will change the position of Charlotte in the national and global marketplace.

Social
- Provides easy access to a larger job market to residents of West Charlotte and areas immediately north
- Supports both Westside and regional housing markets

Economic
- Leverages new market conditions for attracting global and national scale business
- Facilitate large-scale commercial development west of the airport.
- Creates significant new jobs within the city, and strengthens the City tax base

Transportation/Infrastructure
- Improves traffic flows in the area to the west of the airport
- Provides alternative routes for local traffic and truck traffic
- Synergies with investments in the Airport Intermodal Facility and investments in private developments

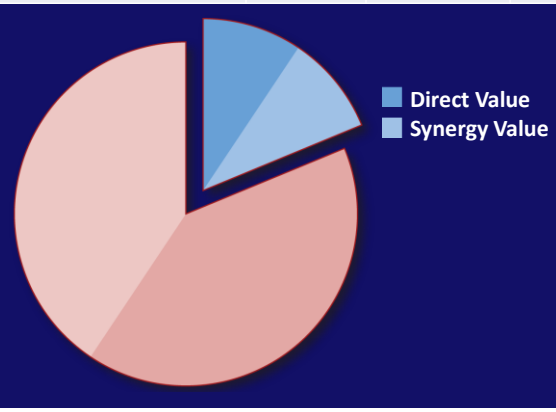
Environmental
- Creates potential to create sustainable development in entire area along river

City of Charlotte
Proposed CIP

Airport/West Corridor Project Breakout

Airport/West Project Breakout 2035

	Direct Value	Synergy $	Synergy %	Total Value
Garrison Road	$88,495,940	$88,495,940	50%	$176,991,880
Dixie River Road	$382,874,163	$382,874,163	50%	$765,748,325
Total Corridors & Connectors	$471,370,102	$471,370,103	50%	$942,740,205

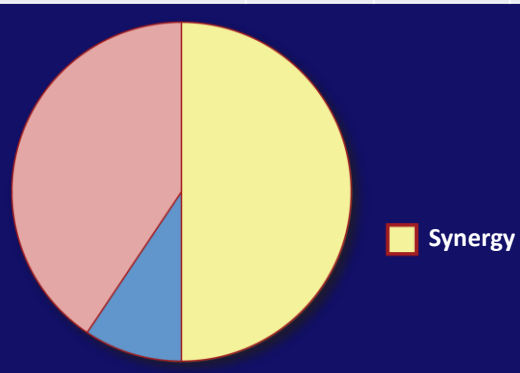


City of Charlotte
Proposed CIP

Airport/West Corridor Summary

Airport/West Corridor Economic Benefits Summary 2035

	Direct Value	Synergy $	Synergy %	Total Value	Jobs
Garrison Road	$88,495,940	$88,495,940	50%	$176,991,880	864
Dixie River Road	$382,874,163	$382,874,163	50%	$765,748,326	2,591
Total Corridors & Connectors	$471,370,103	$471,370,103	50%	$942,740,206	3,455



City of Charlotte
Proposed CIP

Summary: Major Conclusions

- Generates $2.2 billion estimated total real estate market value.
- Supports an estimated 18,495 permanent jobs by 2035.
- Only by an integrated approach will synergy value be realized.
- Captures value generated by over $5 billion in other investments across the City.
- Creates social, economic, transportation and environmental benefits for the City and its citizens.
- Strengthens competitiveness of Charlotte regionally, nationally and globally.

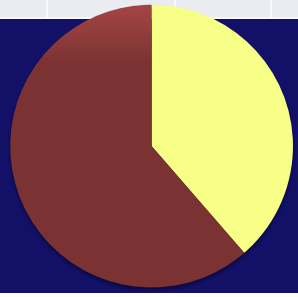
City of Charlotte
Proposed CIP

CIP Economic Benefits Summary

CIP: Corridors & Connectors - Economic Benefits Summary 2035

	Direct Value	Synergy $	Synergy %	Total Value	Employment
Northeast Corridor Total	$525,324,344	$317,978,273	38%	$843,302,618	7,773
East/Southeast Corridor Total	$59,712,214	$63,120,091	52%	$122,832,305	1,401
Airport/West Corridor Total	$471,370,103	$471,370,103	50%	$942,740,205	6,910
Cross Charlotte Trail (South)	$218,035,171	$0	0%	$218,035,171	577
Prosperity Church Road	$76,379,896	$0	0%	$76,379,896	1,834
Park South Drive	$3,624,269	$0	0%	$3,624,269	
Total Corridors & Connectors	$1,354,445,997	$852,468,466	39%	$2,206,914,463	18,495

Total: Corridors & Connectors



QUESTIONS

CITY OF CHARLOTTE

SBO Name Survey Results

Sample Size

- 184 people responded to select their top name choice
- 179 people responded to select their top brand promise

Top names selected

- Charlotte Business INClusion
- Prospect Charlotte

Top brand promises selected

- Connecting MWSBE's with opportunities
- Charlotte's business opportunity program

CHARMECK.ORG

CITY OF CHARLOTTE

ED Committee Recommendation

Charlotte Business INClusion

Connecting MWSBEs with opportunities.

Prospect Charlotte

Charlotte's business opportunity program.

CHARMECK.ORG

CHARLOTTE.

CITY OF CHARLOTTE

Communications & Marketing Strategy Next Steps

Select Name and Brand Promise	February 21 ED Committee
Present Creative	March 4 Council Workshop
Communications/Marketing Plan	March
Education and Outreach	April – June
Measurement	July – June

CHARMECK.ORG

CHARLOTTE.

SUMMARY OF IMPROVEMENTS

1	Shopton Road at Dixie River Rd (future signal)	$83,000
2	Dixie River Rd - between Steele Creek & Shopton (roadway improvements)	$626,000
3	Steele Creek Rd (NC 160) & Brown-Grier Rd (signalized)	$70,000
4	Steele Creek Rd (NC 160) & I-485 Outer Ramps (future signal)	$100,000
5	Steele Creek Rd (NC 160) & I-485 Inner Ramps (future signal)	$86,000
6	Steele Creek Rd (NC 160) & Shopton Rd (signalized)	$170,000
7	Trojan Drive between Steele Creek & Shopton Rd (roadway improvements)	$2,333,000
8	Steele Creek Rd Improvements (roadway improvements)	$795,000
9	Dixie River Rd & Proposed Access "E" (2-land roundabout)	$442,000
10	Steele Creek Rd & Trojan Drive/ Rigsby Rd (unsignalized)	$72,000
11	Dixie River Rd & Proposed Access "C"/ Future Berewick Commons Pkwy Extension (future signal)	$217,000
TOTAL with 3% contingency		**$5,143,000**

Charlotte Premium Outlets

Charlotte, NC

Transportation Improvements 02.18.2013 | LDI#1012048

LandDesign™

Charlotte Premium Outlets

Charlotte, NC

Transportation Improvements 02.18.2013 | LDI#1012048

LandDesign