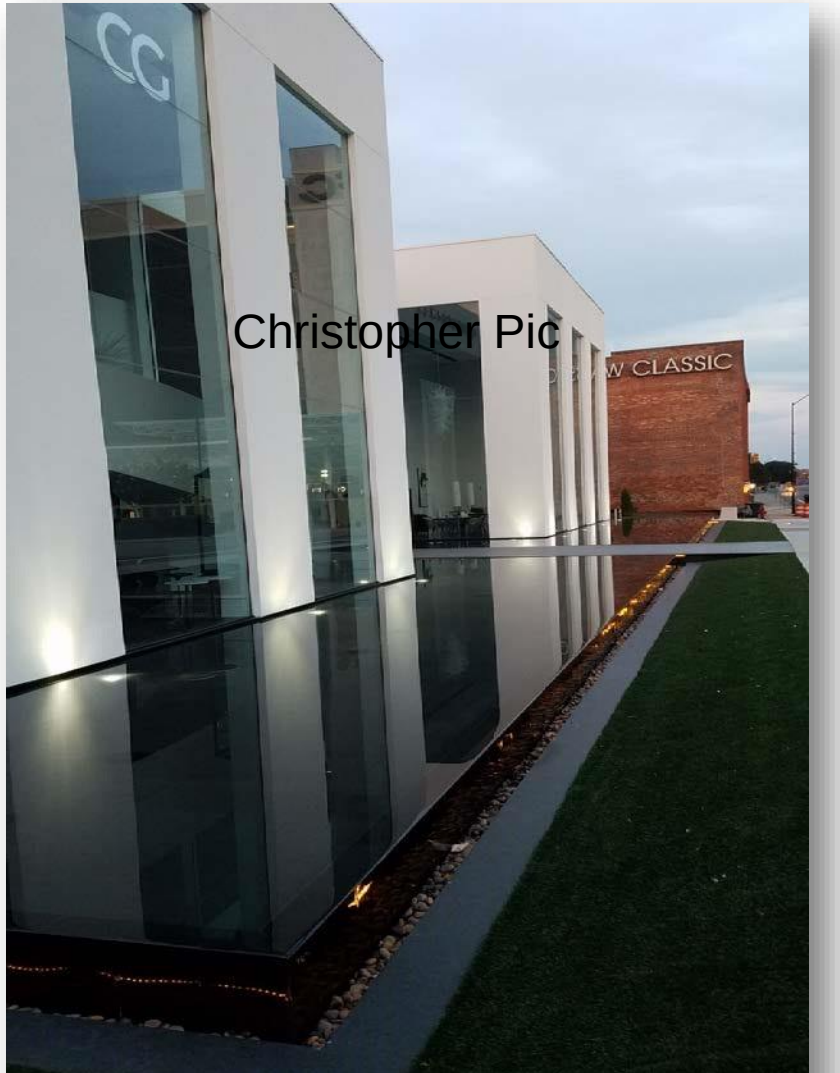
City of
High Point
NORTH CAROLINA

High Point Catalyst Project

Presentation to Guilford County Commissioners

August 17, 2017

The Largest Trade Show in North Carolina



Christopher Pic

- 11.5± million sf Furniture Showroom
- $5 billion economic impact
- 80,000 visitors twice a year
- Intense activity 2 weeks per year
- INACTIVITY 50 weeks per year
- Lack of vitality
- Lack of employment opportunities

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- Declining Tax Base

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City Council Goal:

City Council Goal:

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Create a downtown catalyst project that produces:

- 500 private sector jobs
- 15-20 new restaurants and shops
- 250 additional residential housing units
- A centralized gathering space

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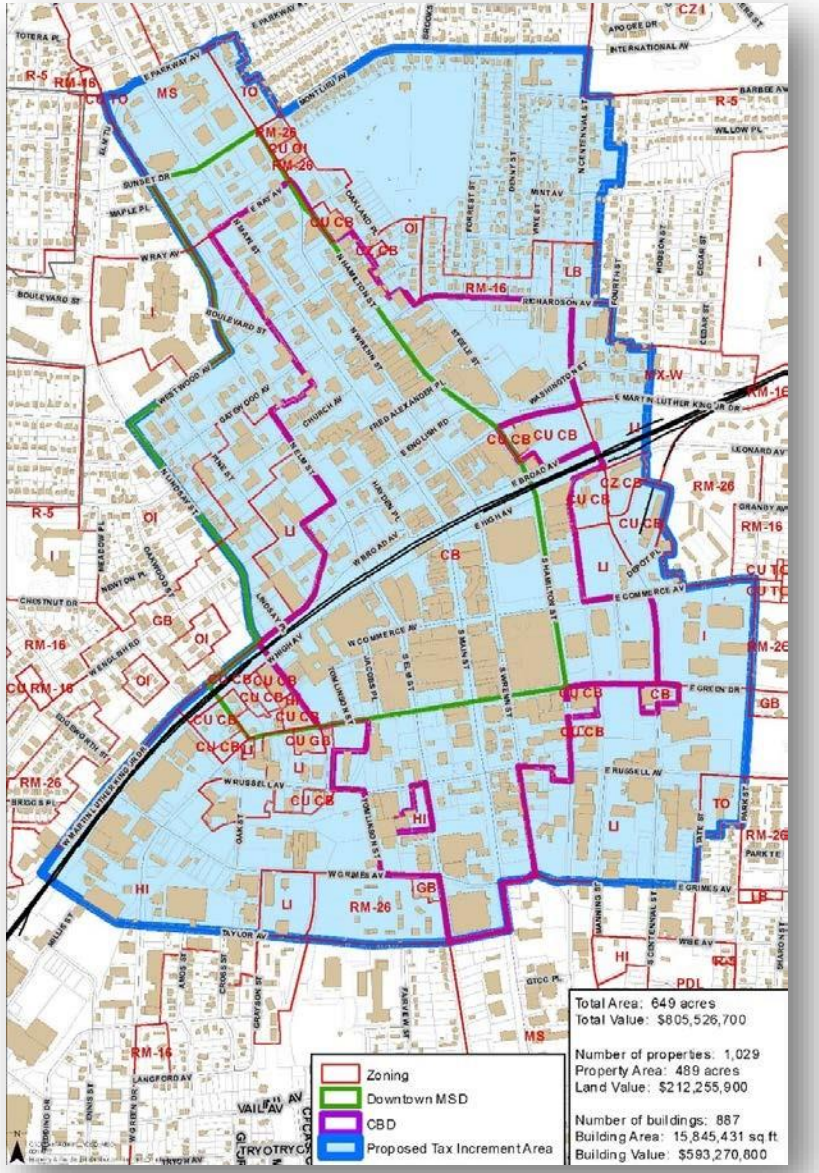
Catalyst Project Area



- 649 Acre Stadium Influence Area
- Proposed Revenue Target Area

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Current Catalyst Project Area

Current Catalyst Project Area

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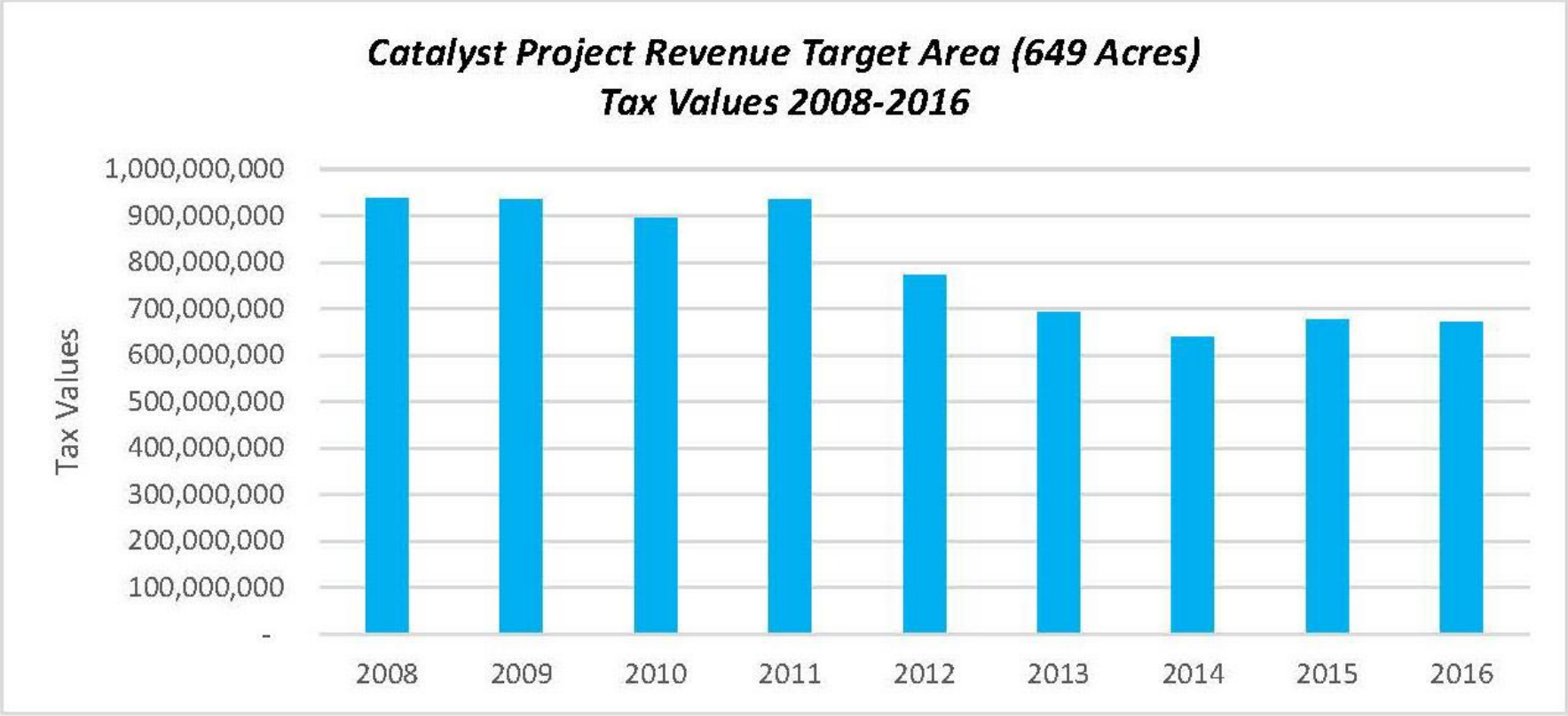
Revenue Target Area
Tax Value Loss 2008 - 2016



$266,335,565 Tax Value Loss

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Revenue Target Area
Actual Tax Dollar Loss 2008 - 2016

				Lost Taxes			
	2008 Base	Annual Valuation	Taxable Value Change from 2008	Tax Rate	High Point	Tax Rate	Guilford County
2009	$ 937,318,450	$ 934,514,800	$ (2,803,650)	0.6330	$ 17,747	0.7575	$ 21,238
2010	937,318,450	894,058,100	$ (43,260,350)	0.6330	$ 273,838	0.7590	$ 328,346
2011	937,318,450	935,183,250	$ (2,135,200)	0.6330	$ 13,516	0.7592	$ 16,210
2012	937,318,450	772,143,357	$ (165,175,093)	0.6620	$ 1,093,459	0.8040	$ 1,328,008
2013	937,318,450	691,692,135	$ (245,626,315)	0.6750	$ 1,657,978	0.8042	$ 1,975,327
2014	937,318,450	640,022,585	$ (297,295,865)	0.6750	$ 2,006,747	0.7938	$ 2,359,935
2015	937,318,450	676,336,185	$ (260,982,265)	0.6640	$ 1,732,922	0.7981	$ 2,082,899
2016	**937,318,450**	**670,982,885**	**$ (266,335,565)**	**0.6500**	**$ 1,731,181**	**0.7896**	**$ 2,102,986**
			Actual Tax Dollars Lost:		**$ 8,527,388**		**$ 10,214,948**

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Reversing the Revenue Trend

Reversing the Revenue Trend

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- Catalyst – “**An agent that provokes or speeds significant change or action”** *(Merriam-Webster)*
- Multi Use Stadium – 200,000 visitors annually
- Private Development
- Market-Driven Plan
- Control of Land Dedicated to Development
- $38 million Commitment from the Private Sector for Team

Ownership, Naming Rights, Event Center, Childrens’

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Museum, Downtown Park

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Downtown Catalyst Project

Preliminary Design – For Discussion Purposes Only

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High Point Multi-Use Stadium – Development

- 200+ Apartments (Private Dev.)
- 90 Room Hotel (Private Dev.)
- 120,000 sf retail/restaurant (Private Dev.)
- Event Center (Privately Funded)
- Children's Museum (Privately Funded)

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High Point Multi-Use Stadium

Preliminary Design – For Discussion Purposes Only

- 11 ½ Acre Site
- Elm to Lindsey
- Gatewood to English
- 5 Acre Stadium
- 6 ½ Acres for Deve (own
- Master Developer

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High Point Multi-Use Stadium – Land Acquisition

- Purchased/Under Contract/Under Agreement/Pending 1031 Exchange Details
- 10.99 Acres (95% of site)
- Tax Value $8,282,800
- Total Contract Cost $10± Million

Preliminary Design – For Discussion Purposes Only

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High Point Multi-Use Stadium

- Land Investment – Up to $15 Million (Internal Borrowing & Fund Balance)
- Stadium Investment $30 Million (Borrowed – Secured by Asset)
- Design/Build – Samet (contractor)/Odell (architect)
- Team purchased by private investors
- Team operators responsible for operating costs
- Major Tenant: Atlantic League – 70 games

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High Point Multi-Use Stadium

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•CS&L Studies

- Attendance Draw – 230,000+ south of the middle of HP
- Atlantic League Average Attendance: 4,184 per game
- Lowest Attendance in League: 2,916 per game
- Our Attendance Assumptions: 2,500 per game 175,000 total (Grasshoppers 336,000 total/5,170 game)

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- 74 Other Events (other sports, concerts, festivals,banquets) totaling 33,250 in attendance
    - 3,800 Fixed Seats 1,200 Other Seats
    - Baseball
    - Soccer

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High Point Multi-Use Stadium

- Football
- Lacrosse
- Concerts
- Events
-
-
-
-
-

Preliminary Design – For Discussion Purposes Only

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Private Investment - $38 Million

- Purchase Team
- Secure Naming Rights
- Downtown Park
- Children's Museum
- Event Center

Preliminary Designs – For Discussion Purposes Only

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High Point Multi-Use Stadium Impact Area

Legend

1. Ballpark
2. Parking / Parking Deck
3. Retail/Restaurant /Multi-family
4. Ballpark Program Area
5. Plaza / Ballpark Entrance
6. Green Space
7. Home Run Porch
8. Club (2nd level)
9. Showrooms
10. Berm Seating
11. Church Street Linear Park
12. Children Museum
13. Convention Center
14. Hotel

Proposed Tabulations

Residential Units: 448
Hotel Keys:90
Retail/Restaurants: 120,000 SF
Showroom: 65,000 SF
Children Museum: 20,000SF
Convention Center:40,000SF
Suface Parking: 50 spaces
Parking Garage: 1474 spaces

0' 100' 200' 400'

Preliminary Design – For Discussion Purposes Only

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High Point Multi-Use Stadium

High Point Multi-Use Stadium

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Revenue From New Development

- $99 Million of New Development Over 10 years
- The City owns/controls land where most development will occur
- Commitments will follow the Master Developer Agreement
- Land will be SOLD to private developers
- Development will generate income to support stadium debt

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Other Development – Main Street Station

- 32,000 SF Retail/Restaurant/Professional
- 20,000 SF Class A Office
- 120-150 Residential Units

Total Value: $16,500,000 to $22,000,000

High Point Multi-Use Stadium

- *Stadium Cost repaid by:*
- *60% (paid by users)*
  - Team Annual Lease Payment to City

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- Facility Fee Surcharge (on ticket)
- Parking Surcharge (on ticket)
- Naming Rights

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- *40% (paid by new development)*
  - Revenue from New Private Development over and above current assessed value
  - 20% from City Increment
  - 20% from County Increment

High Point Multi-Use Stadium – Public Support

Presentations to:

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- Planning & Dev. Public Input Meeting
- Connect High Point
- Conversation Cafe
- NAACP
- YP Summit • Kiwanis
- State of the City Mtg.
- Neighborhood Leadership Council
- 2 Realtors Groups
- 2 Rotary Clubs
- City Council
- TREBIC

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High Point Multi-Use Stadium – Public Support

THE HIGH POINT ENTERPRISE hpenews.com

City looks ahead to stadium contract

BY PAT KIMBROUGH ENTERPRISE STAFF WRITER Jul 6, 2017

Triad City Beat

High Point council approves $15 million for multi-purpose stadium

By Jordan Green - April 4, 2017

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High Point U. President to Lead $38M Stadium Effort

by John Newsom May 2017

WFMY NEWS 2 A TEGNA Company

High Point Selects Builder For New Baseball Stadium

NEWS & RECORD

80° Overcast

High Point University's Nido Qubein to lead stadium effort

By John Newsom john.newsom@greensboro.com May 17, 2017

FOX 8

High Point hopes to mirror Greensboro stadium success

POSTED 5:29 PM, APRIL 7, 2017, BY ALEKSANDRA BUSH

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High Point Multi-Use Stadium CSL Feasibility Study

High Point Multi-Use Stadium CSL

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Feasibility Study

- Study estimates that operations will support **708 new full time equivalent jobs in the Core City**
- Construction will create 137 new full-time equivalent jobs with $6 million in personal earnings
- Over 30 years the stadium and surrounding development will generate over $700 million in total consumer spending

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High Point Multi-Use Stadium

- 200,000+ people coming downtown for games and events YEAR ROUND
- 200+ New Residential Units
- 120,000 square feet of restaurants & retail
- Hotel

- Events Center
- Downtown Park

Preliminary Design – For Discussion Purposes Only

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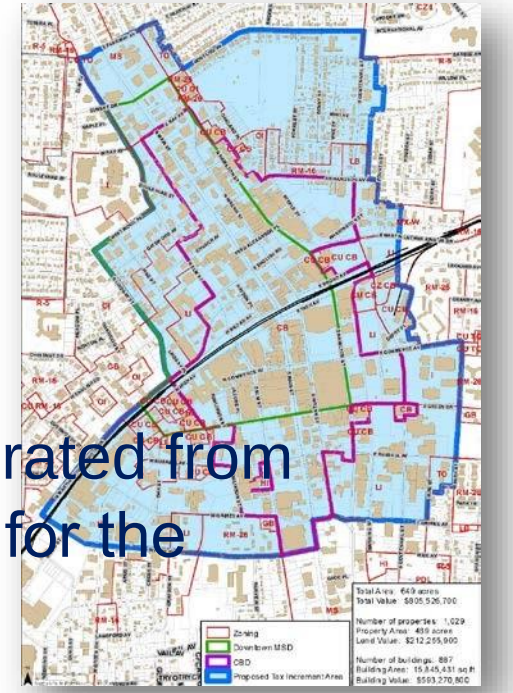
Revenue from Increased Property Value

2016 Tax Value Revenue Target Area:	$671± million
Increased Value from New Development:	$ 99± million*
New Value in Revenue Target Area:	$770± million



- September 7, 2017 Request: New County Tax Revenues Generated from this 649 acres be pledged to repayment of the City's borrowing for the construction of a Multi-Use Stadium

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*Funds from increased Tax Value of New Development ($99 million that will not occur without the development of the Stadium) will be used to help pay for the Stadium

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Why Participate?

Why Participate?

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- Stop the downward spiral of tax value that has resulted in the loss of $18.7± million in County and City Tax Revenue since 2008
- $38 Million in Private Investment Already Committed
- Commitment by the City
- Conservative Assumptions
- Growing the tax base is the only sustainable option
- A Downtown for High Point
- Community, Quality of Life, Vibrancy, Transformation of Guilford County's second largest city

Catalyst: an agent that provokes or speeds significant change or action *(Merriam-Webster)*

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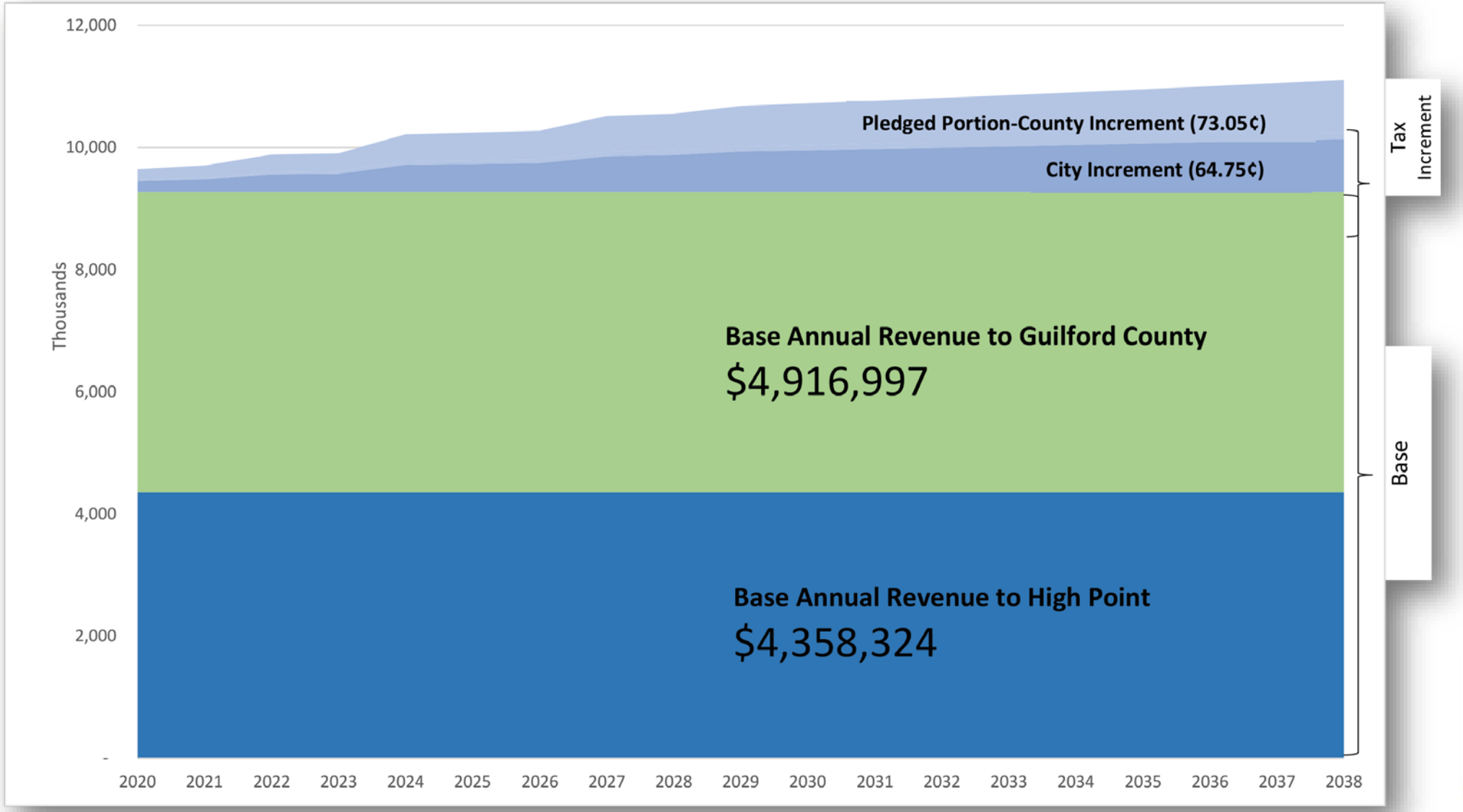
Annual City & County Incremental Property Tax Proposal
(249-Acre, 2016 Tax Base of $679,899,220)



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QUESTIONS?

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