

Eastland Redevelopment

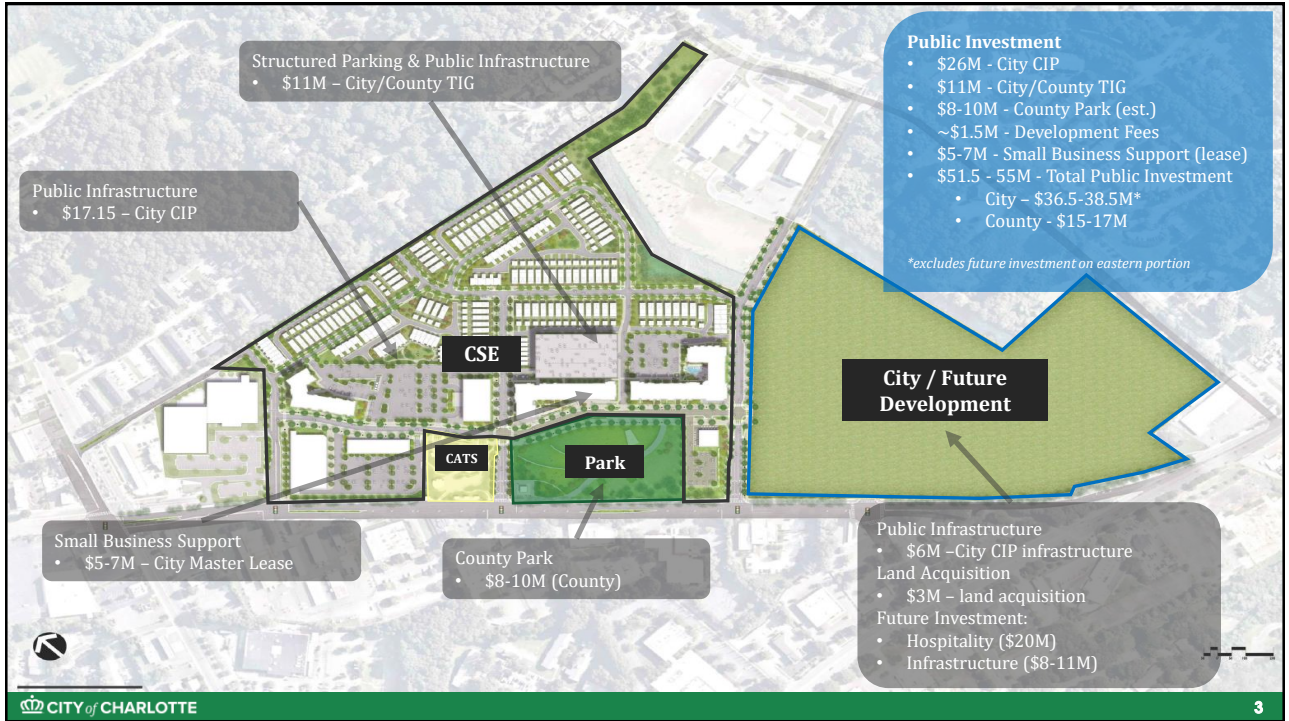
JOBS & ECONOMIC DEVELOPMENT COMMITTEE
AUGUST 7, 2023

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Overview

- ▶ Development review/update
- ▶ Evaluation of proposals for active recreation development
- ▶ Committee Q&A
- ▶ Next steps

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Evaluation of Proposals for Active Recreation Development

CITY of CHARLOTTE 4

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Review / Evaluation Process

► Goals of Evaluation Process

- Ensure proposals meet stated goals of community
- Review each proposal to ensure financial stability and long-term viability

► Evaluation Criteria was focused on four areas:

- Financial Strategy & Qualifications
- Qualifications & Experience of the project team
- Project Approach and Concept
- Development Schedule

► Independent evaluations from City, County, and CRVA staff

Evaluation – Due Diligence

► Due diligence is a necessary part of the process to determine the validity of any proposal

- Evaluation team: City, County, CRVA

► Staff provided each team with follow-up questions to offer greater clarity and understanding of the proposed redevelopment

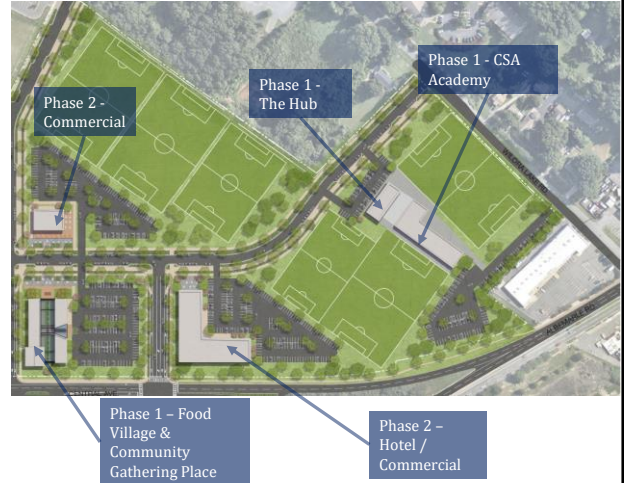
QC East @ Eastland Yards	Eastland Yards Indoor Sports Complex
<ul style="list-style-type: none"> ► Requests to speak with key debt/equity providers ► Impact and flexibility on limiting size and/or number of festivals ► Information on the esports market in Charlotte ► Approach for working with the community on festivals/events to ensure successful events without imposing burdens on the surrounding neighborhoods ► Additional information on the structure of the partnership and ownership entities (e.g. detailed organization chart with ownership interest and lead management organization) 	<ul style="list-style-type: none"> ► Requests to speak with key debt/equity providers ► Timing for ancillary development ► Clarity on any inconsistencies of information provided in proposal and other documents provided ► Better understanding of assumptions within infrastructure improvement cost estimates ► Clarity on active partners and their respective roles and/or financial commitments

QC East @ Eastland Yards– Program Overview

► Sports, tech, & entertainment

- Athletic fields & CSA Academy
 - 6 multi-sport artificial turf fields (8 acres)
- Entertainment
 - Outdoor amphitheater
 - Indoor/outdoor venue (the “Hub”)
 - Food village and community gathering place
- “The Hub” – 20,000 SF footprint
 - Public event space and technology center, focusing on esports and STEM educational opportunities
 - Host professional and amateur esports events, music concerts, and a digital entertainment area
 - Main stage opens front and back allowing for greater flexibility between event types (music, sports, etc.)
 - Digital entertainment area for daily use – themed simulators (NASCAR, F1, Golf, etc.), console and gaming stations, etc.
 - 20,000 SF (Innovation Center – 7,500 SF; Digital Entertainment – 7,500 SF; Office – 1,500 SF)
- +/- 680 parking spaces

► Entire site - ~29 acres



QC East @ Eastland Yards – Funding / Land Structure

► Estimated project cost

- Phase 1 - \$61M
- Phase 2 - \$22M

► Private investment - \$31M (Phase 1)

- \$22M – Phase 2

► Public investment requested – \$30M (Phase 1)

- Hospitality Funds - \$19M (\$9.5M over two years)
- Infrastructure Reimbursement - \$11M
- 49% of total capital cost (phase 1)

► Community use of the facility

- Apprenticeships & adult workforce training programs
- After-school programs involving tech education & gaming
- Neighborhood access to fields on non-event days
- Community meeting space
- Community-oriented programming (e.g. free tech-oriented classes, senior programming)

► Purchase land from City at market value



Eastland Yards Indoor Sports Complex – Program Overview

► Indoor Sports Components

- 160,000 SF Indoor Sports Facility
- Multi-purpose courts can be converted to 10-12 basketball courts, 20 volleyball courts, or 40 pickleball courts
- Ability to overlay a 200m banked track
- Concessions and bar
- Fitness Center
- Two ice rinks
- Leasable Space (medical, physical therapy, etc.)
- The Learning Center

► Conceptual Outdoor Sports Components

- One soccer field
- Futsal court, basketball courts, and volleyball courts
- 944 parking spaces

► Limited-Service Hotel (130-150 keys)



Eastland Yards Indoor Sports Complex – Funding / Land Structure

► Estimated project cost of Indoor Facility - \$50-\$60M

- Public investment requested - \$25.7M
 - \$20M – amateur sports facility /fields
 - \$5.7M – infrastructure improvements
- Private assumes cost over \$25.7M
- Public investment = ~32% - 36% of total proposed capital cost

► Community use of the facility

- The Learning Center
 - 4,000 SF space within indoor sports complex
 - The Learning Center will serve as an intermediary between the community and EDGE Sports on usage of the indoor sports amenities
 - Serve as a hub offering community event space, workforce development, academic programming, and social support
- Membership / daily use fee on non-event days

► \$1 per year ground lease

- 29 acres (except retail acreage)



Next Steps

▶ Current Proposals

- Committee and full Council discussion on proposals to provide directive to staff

▶ August 28th Council Meeting

- RCA for master lease agreement with Crosland Southeast to support small and local business opportunities

▶ Work with the Committee as progress continues on the site

Crosland Southeast Update



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Committee Discussion