

Economic Development Projects

CITY COUNCIL ANNUAL STRATEGY MEETING

Topics

I. Recent Project Wins

II. Overview of Hospitality Funds

I. Guiding Principles

III. Project Proposals

I. City-owned Projects

II. Collaboration Projects

III. Other Projects

IV. Discussion

Recent Hospitality Wins



- **Spectrum Center:** Renovations completed in October 2025 with 30 days of events and 325,000 guests
- **Bank of America Stadium:** Renovations begin in 2026; in 2025, 40+ events, \$1.1 billion annual impact
- **Convention Center:** Major conferences, including NAACP and Mary Kay; \$87.4 million impact (FY25)
- **Special Events:** Charlotte continues to attract major sporting events such as PGA Championship, World Military Summer Games and possible bid to host NBA All-Star Weekend



Recent P3 Projects



- **The Pearl:** Charlotte's first innovation district estimated to create **11,500** total jobs
- **River District:** Master-planned community in west Charlotte will have \$5.6 billion annual economic impact
- **Ballantyne:** Location and amenities have helped city land high-profile tenants such as SoFi, Daimler Truck Financial and Citigroup

Other Investments



- **The Excelsior:** City, county and developer will partner to restore and develop Beatties Ford landmark
- **Do Greater Creative Lab:** Supports efforts to reimagine North Tryon as a hub for innovation and entrepreneurship
- **Eastland Yards:** Supporting Council's goals, redevelopment will create unique opportunities for small businesses



Funding Overview & Discussion

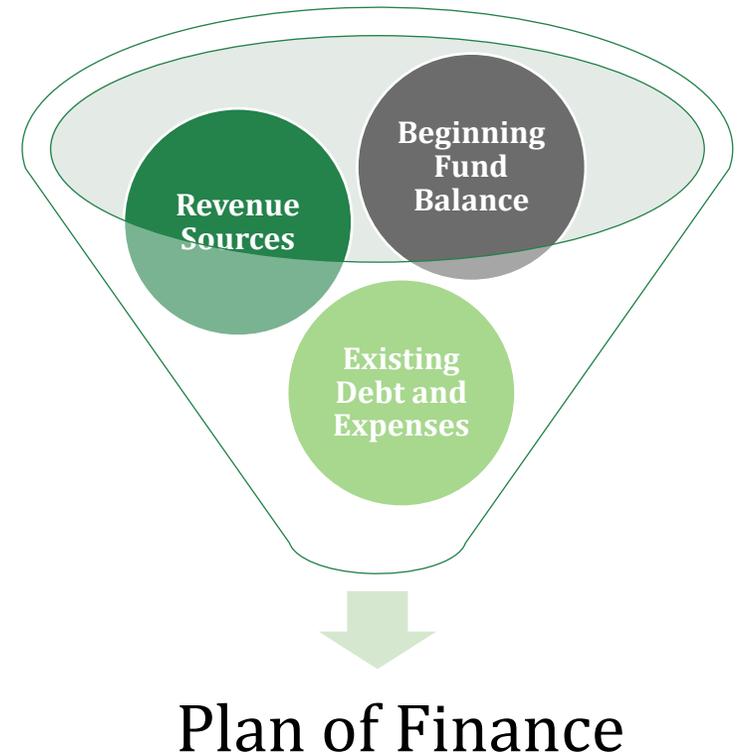
Financing Considerations

- Debt issued by “Credit Entities”
- Credit ratings for each entity are highest available in respective categories
- “Management” Triple A
 - Management practices bolster the city’s credit rating
 - Debt and capital planning
 - Debt affordability modeling
 - History of achieving budget and forecasts



Financing Considerations

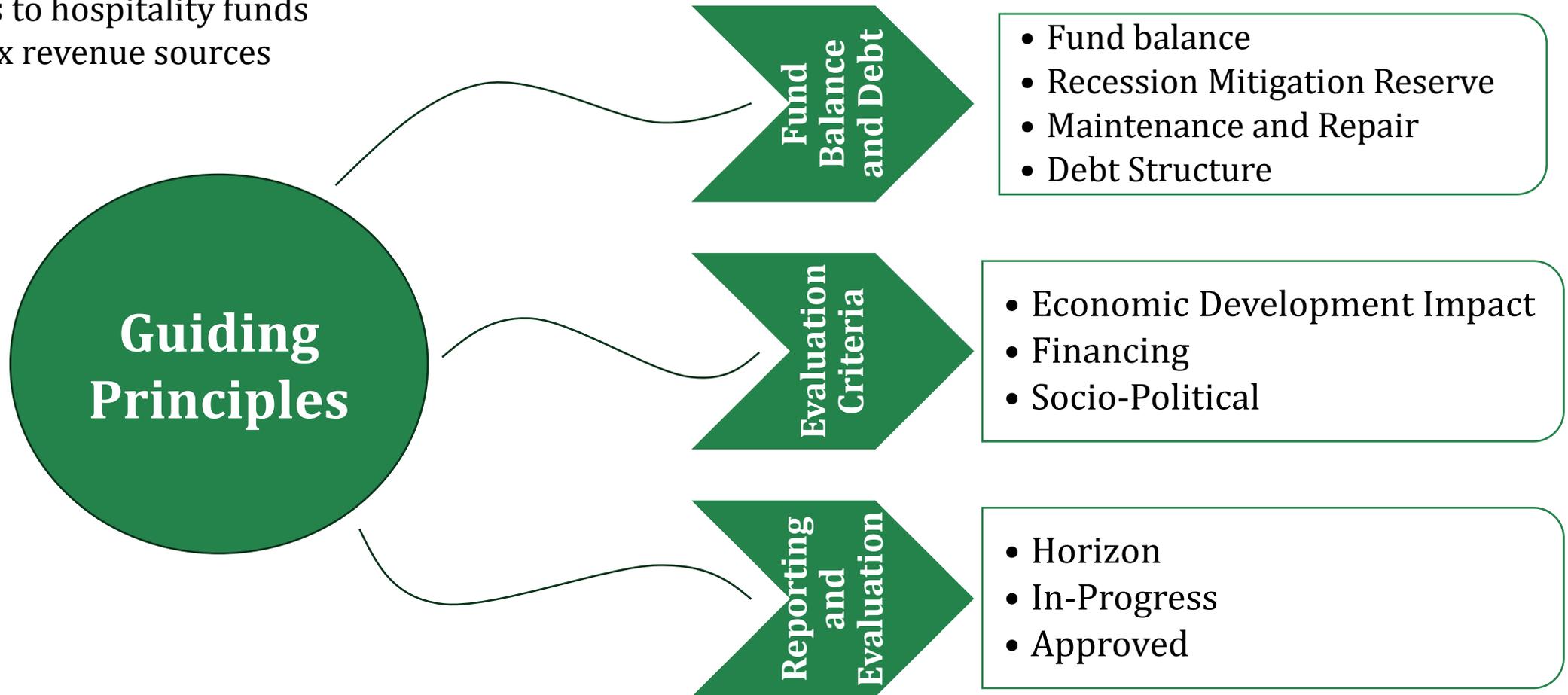
- **Each credit entity has a debt affordability model that is updated regularly**
- **Includes known and estimated inputs**
 - Prior year actuals and beginning fund balance
 - Current year's adopted budget
 - Revenue sources
 - Existing debt and other expenses
 - Estimated growth rates and interest rates
- **Key factors**
 - Timing of project cash flow needs
 - Fund balance requirements
 - Other policy requirements
 - Ratings criteria



Hospitality Revenue Capital Investment Policy

Approved by Council in 2021

- Applies to hospitality funds with tax revenue sources



Tourism and Hospitality Sources and Uses

	Convention Center	Tourism (T1)	Tourism (T2)	NASCAR HOF
Revenue Source (FY 26 Budget)	1% Prepared Food and Beverage (\$54.0M) 3% Occupancy (\$34.6M)	3% Occupancy (\$27.8M) 1.5% Rental Car (\$6.2M)	PAYGO Transfer (\$14.6M) City and County TIG(\$4.6M)	Occupancy 2% (\$23.0M)
Uses	Convention Center Facility, convention and visitor promotion, hospitality/tourism marketing, amateur sports facilities and stadiums over 60,000 seats. Uses permitted by State.	Marketing/visitor promotion, programs/events that will generate visitors, and the construction/maintenance of facilities such as convention centers, civic centers, auditoriums and museums. Uses permitted by State.	Cultural Arts Facilities, including maintenance of facilities, and actives and events furthering the cultural arts Uses guided by Interlocal and city council policy	Constructing and maintenance of the NASCAR Hall of Fame, the NASCAR Hall of Fame/Convention Center Crown Ballroom, and parking facilities Uses permitted by State.
Fund Balance*	\$166.0M	\$94.8M (T1 & T2 have combined Fund balance in the City's Financial Statements)		\$60.4M

*Fund Balance does not equate to capacity. Fund Balance may be programed for Debt Service, operating/maintenance in future years. Specific project details including specific uses, and timing are used to determine current/future capacity.

Historic Uses

	Convention Center	Tourism (T1&T2)	NASCAR HOF	Non-Hospitality/CIP
Projects	Convention Center (Capital & Operating)	Spectrum Center & Practice Facility	NASCAR HOF	Boplex (Connector)
	Eastland Yards (Amateur Sports)	Boplex		Cultural Arts Campus (TIG)
	Bank of America Stadium	Cultural Arts Campus		Eastland Yards (Non-amateur sports)
		Truist Field		Excelsior
		Tourism Marketing & Promotion (Statutory)		Ballantyne ReImagined
		Special Events: (PGA, Picaso, Etc)		The Pearl
	City-owned Facilities Maintenance	City-owned Facilities Maintenance	City-owned Facilities Maintenance	City-owned Facilities Maintenance

Hospitality Project Considerations

□ Statutory requirements

□ Hospitality Revenue Capital Investment Policy

- Existing Debt/Commitments
- Maintenance & capital repairs for existing
- New commitments & events

□ Project evaluation

- Project eligibility
- Timing/cashflow
- How city funds to be used & ownership

City-Owned Projects

Bojangles Entertainment Complex

□ About

- **Record impact:** Historic venue reported \$60.8 million in economic impact for FY25, with 311 events
- **Programming :** 35+ annual Charlotte Checkers professional hockey games, music and comedy concerts, a new HBCU post-season college basketball tournament, and high school college graduations
- **New for 2026:** The Charlotte Crown, women's pro basketball, debuts in May, creating new season of events
- **\$34.5 million in investments since 2015:** New seating; new scoreboard; a connector between the venues; improved hospitality space; and art installation



Bojangles

**ENTERTAINMENT
COMPLEX**

BOplex: Critical Needs

□ Increased Risk

- Outdated mechanical and structural systems have created a rising risk of disrupted operations at the 70-year-old
- With the BOplex being heavily programmed with things like the inaugural season of The Charlotte Crown, Charlotte Checkers hockey, graduations and concerts, any stop in facility operations could have adverse impacts

□ Project Summary

- HVAC upgrades: \$23 million
- Mechanical, electrical and plumbing (MEP) and structural assessment: \$2 million
- **Total estimated cost: \$25 million**



BOplex: Next Steps

□ Scheduling Limitations

- Equipment demands in market are high, creating limited inventory
- Event programming limits HVAC construction to July shutdown window only
- To maintain the July 2026 installation schedule, air handlers must be ordered by the end of March
- Failure to meet this deadline will delay installation to July 2027

□ Next Action

To remain on schedule, city staff recommend the following timeline:

- **March 5:** Economic Development and Workforce Committee presentation and vote
- **March 23 Zoning Meeting:** City Council vote on project approval
- Approval of debt issuance will come to Council as a future action



Charlotte Gateway Station

□ About

- Multi-modal transportation facility with private development
- Partnership with CATS/MPTA, NC Department of Transportation, regional stakeholders and private development partner

□ Next Action

- Under evaluation as part of the MPTA transition and improving real estate market trends



Discovery Place Science

□ About

- Uptown attraction **covers nearly two blocks** and is one of the most visited hands-on science museums in the country, serving as an extension of the classroom for STEM education
- Opening in 1981, the city-owned property has reached an inflection point, with **three options** identified during 2025 retreat
- Consultants have completed a **benchmark study** to evaluate options, conduct cost analysis and deliver recommendations



Key Takeaways: Benchmarking

- ❑ **Urban location limits traditional growth**
- ❑ **Maintaining economic accessibility which places demands on revenue replacement**
- ❑ **Multisite model could raise operating costs but allows for increased accessibility and educational experiences**
- ❑ **Aquatic exhibits require custom, 24/7 infrastructure**
- ❑ **Financial stability relies on corporate and philanthropic support from Charlotte's banking, medical, engineering and energy sectors**

Next Steps: Discovery Place Science

- **Presentation ED&W Committee (Spring 2026)**
- **Evaluate options for site, including:**
 - Combined vs. separate Living World and Science facilities
 - Mixed use vs. standalone Discovery Place Science buildings
 - Strategies to maintain revenue from existing facility during construction



Collaboration Projects

Truist Field

□ About

- Since purchasing the Knights in 2024, DBH has invested \$4.4 million to upgrade scoreboards at team-owned field
- Owner interested in developing the outfield and upgrading 10,000 seat Uptown stadium to attract new events and offer new amenities
- Knights lease land from Mecklenburg County

□ Funding Proposal

Owner: \$13.34 million

City request: **\$13.34 million**

- **\$2.67 million each year for five years**

County request: \$13.33 million

Total: \$40 million

□ **Timeline:** Over next 5 years



Charlotte Ballet Capital Expansion

□ About

- Expansion aligns with North Tryon Vision Plan and will help city compete to host national and international dance conferences
- Will provide new dance studios, multipurpose spaces and artist housing
- Foster collaboration, public events and educational opportunities through shared spaces

□ Funding Proposal

Individual Donations:	\$20 million
Corporate:	\$10 million
Foundation:	\$20 million
Public Funding:	\$10-\$12 million
	• City: \$6 million over 2 years
Total:	\$60- \$62 million

□ Timeline: 2027-28



Other Projects

Other Projects

□ Tourism and Hospitality

- Mint Museum
- BOplex - Facility and Parking
- Charlotte Convention Center
- Tennis complex
- Practice and amateur/youth sports ice rink facility
- UNC Charlotte sports
- Special events
- City-owned facilities maintenance

□ Others

- Five Points Mixed Use Development
- Office conversion opportunities



Horizon Projects

	Convention Center	Tourism (T1&T2)	Non-Hospitality/CIP
Projects	Convention Center	BOplex – Facility & Parking	BOplex – Parking
	Tennis Complex	Discovery Place	Discovery Place
	Truist Field	Truist Field	Tennis Complex
	Hockey Practice Facility	Hockey Practice Facility	Hockey Practice Facility
		Mint Museum (Randolph)	Charlotte Gateway Station
		Charlotte Ballet	Five Points Mixed Use
		City-owned Facilities Maintenance	Office Conversion Opportunities

Discussion