



Eastland Mall Redevelopment

CITY COUNCIL
OCTOBER 26, 2020

Agenda

Purpose

- Update on redevelopment progress with focus on partnership with Crosland Southeast
- Update on progress with Tepper Sports

History

- Timeline

Schedule

Community engagement & vision

Site plan

Public private partnership

General terms

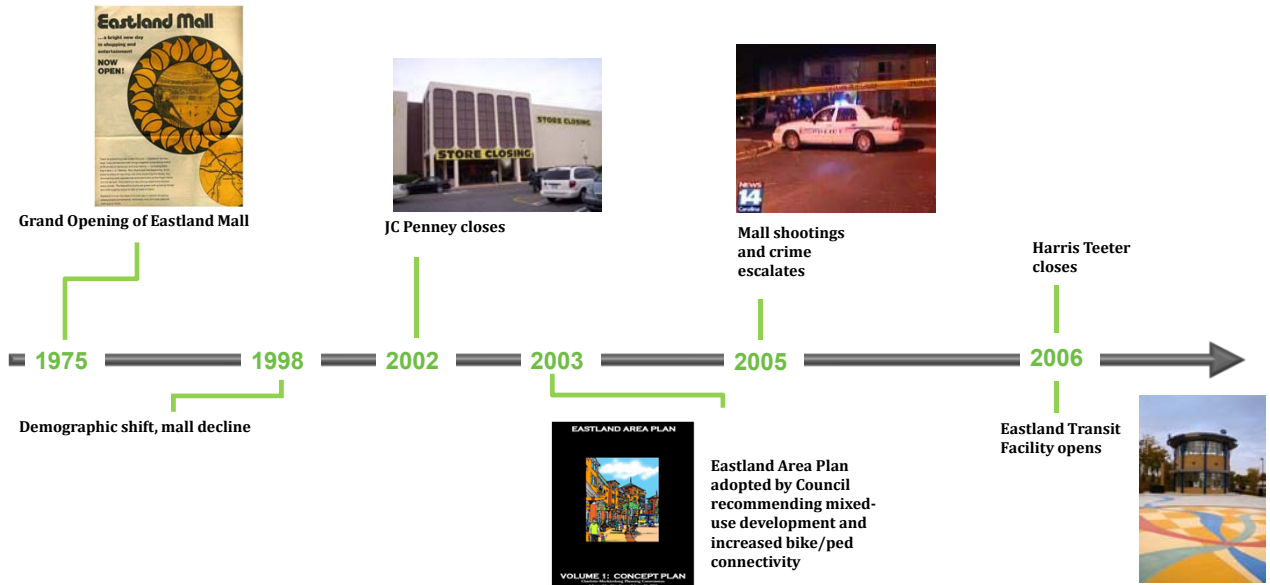
Impact summary | ROI

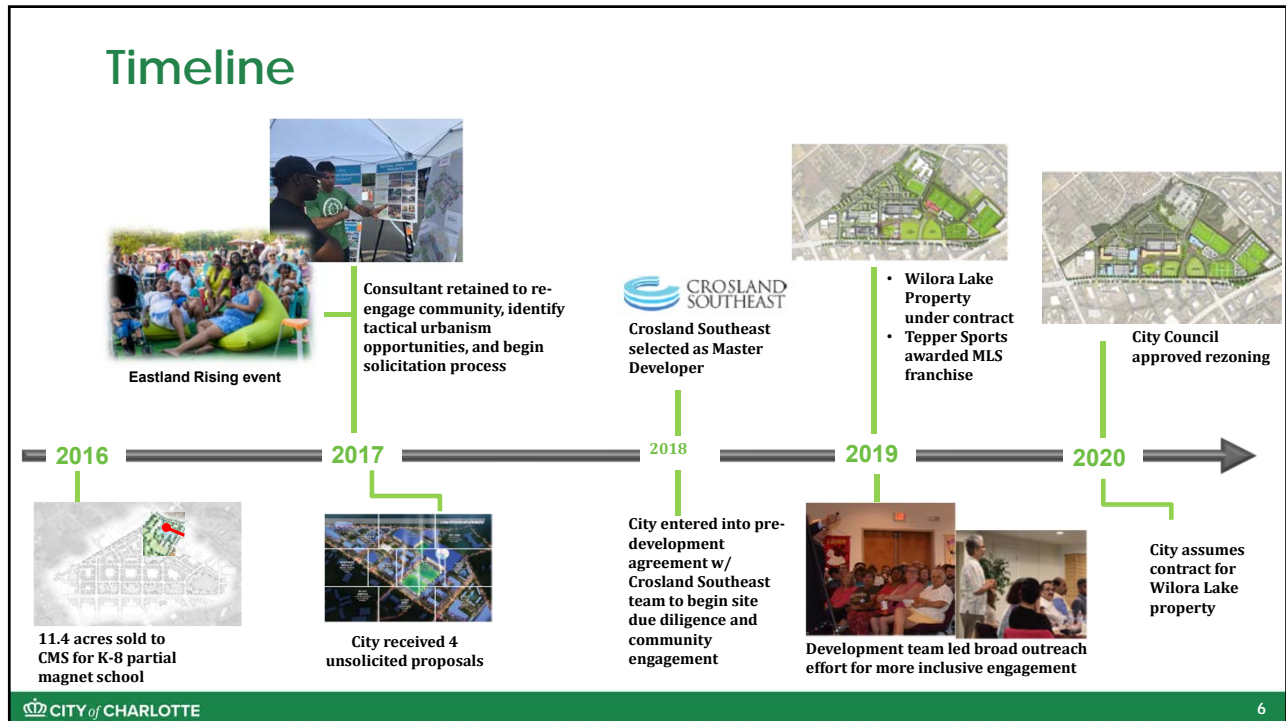
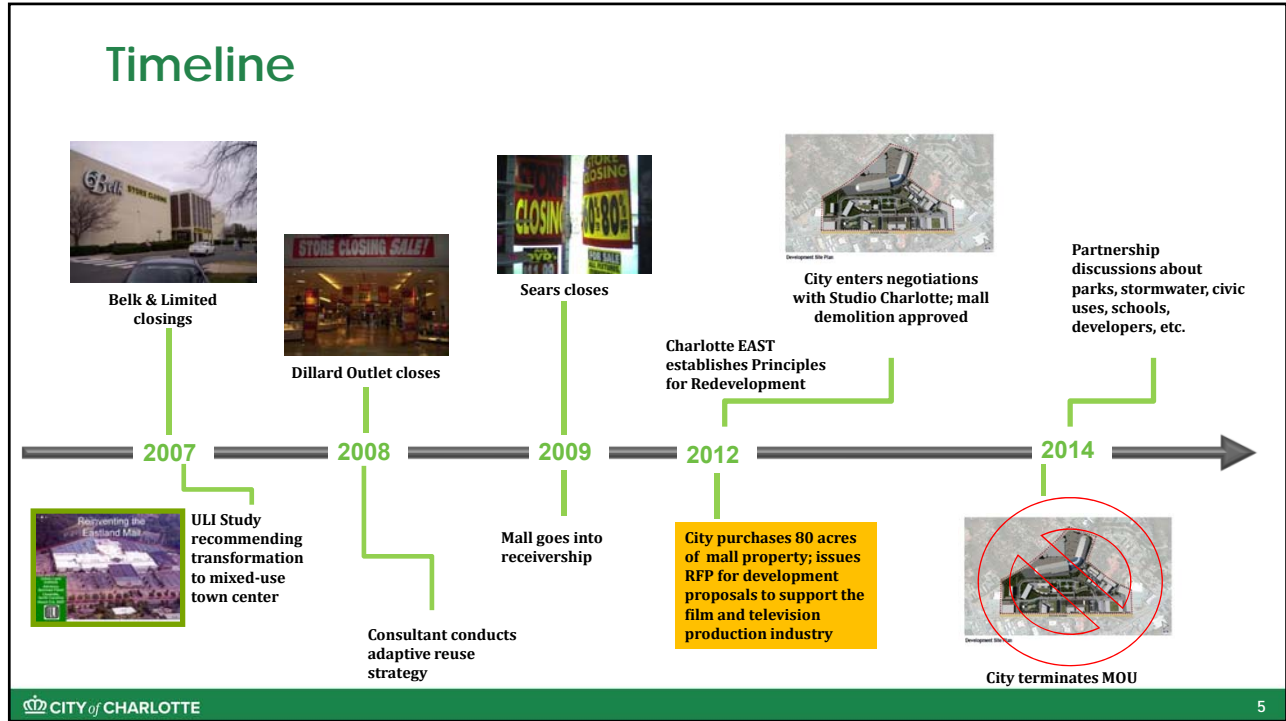
Next steps



History

Timeline





Community Engagement & Vision

Principles for Redevelopment (2012)



Redevelopment Principles

Enhance the perceptions of the Eastland area and East Charlotte

- Attract visitors from across the region

Unify local communities

- Build on the East side's cultural and international diversity

Create connectivity and walkability for surrounding neighborhoods

- Integrate development into the existing corridors and neighborhoods

Take advantage of natural features

- Restore water features and create dedicated and flexible open spaces

Create opportunity for civic development

- Incorporate public amenities

Increase equitable economic development

- Provide opportunities for small and local businesses

Community Engagement (2017)

Next attempt to move the redevelopment forward, and principles for redevelopment were reaffirmed



Development Partner Selection (2017-18)

Four Potential development teams presented to Committee
Staff and Council confirmed evaluation criteria

Team led by Crosland Southeast (CSE) was selected

- Experience w/ similar projects
- Understanding of community and City goals
 - Multi-use transformational development with key active users (e.g. sports)
- Demonstrated comprehension of importance of community involvement throughout the development process
- Demonstrated experience obtaining adequate funding/financing
- Inclusion of amateur sports as an economic driver



Community Engagement (2019)

New approach to ensure the voice of the eastside community is heard and reflected in development plans

- Small focus group meetings
- Larger community meetings
- Digital platform – email campaigns, surveys, website, etc.

Feedback received reflected demographic makeup of the area



More than 700 unique residents engaged

523	EMAIL SUBSCRIBERS 20 mailing lists	28	EMAIL CAMPAIGNS
250	PUBLIC SURVEY RESPONDENTS	40+	INDIVIDUAL INTERVIEWS
127	FOCUS GROUP PARTICIPANTS	10	FOCUS GROUP SESSIONS
190	PUBLIC FORUM ATTENDANCE	100	IN-MARKET PROMOTION AT BUSINESSES
157	COMMUNITY MEETING ATTENDEES	4	COMMUNITY ORGANIZATION MEETINGS

Community Engagement (2019)

Program components we heard are most important for the community

- *Soccer/Sports Fields* – create an attraction for audiences of every ethnicity; build something unique to East Charlotte; spur in-corridor jobs development
- *Public Plaza* – offers a safe, pedestrian-friendly, family-friendly, vibrant hub of activity; promote as the new symbol for the neighborhood
- *Residential* – focus on quality and design, spur home ownership and commitment to the community, some support for limited amount of mixed income housing
- *Green Spaces* – provide trails, parks, gathering places, shade, stimulation for the senses
- *Retail / F&B* – bring convenience, higher quality shopping, and a diverse mix unique to East Charlotte; spur in-corridor jobs development; reduce out-of-corridor trips

THE BIG IDEA

homes for people of all ages

workspaces for collaboration

meet up with friends

practice fields for the pro and amateur alike

GET IN SHAPE

SPORTS FIELDS

PLACES TO GATHER

SILVERDALE AVENUE

WILDOMA LAKE RD

CENTRAL AVE

CITY of CHARLOTTE

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THE VISION

connections through green links open space

RESIDE
HOUSING AND NEIGHBORHOODS

THE DAILY
COMMUNITY SERVICES + CONVENIENCES

VILLAGE GREEN
SIGNATURE PARK + ENTERTAINMENT

ACTIVE
EXCEPTIONAL RECREATION

SILVERDALE AVENUE

WILDOMA LAKE RD

CENTRAL AVE

CITY of CHARLOTTE

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VILLAGE GREEN

SIGNATURE PARK + ENTERTAINMENT

CITY of CHARLOTTE 15

GET OUTSIDE

CONNECTIONS THROUGH OPEN GREEN SPACES

CITY of CHARLOTTE 16

Site Plan – Rezoning 2020



Site Plan

Phase 1 – Infrastructure Improvements

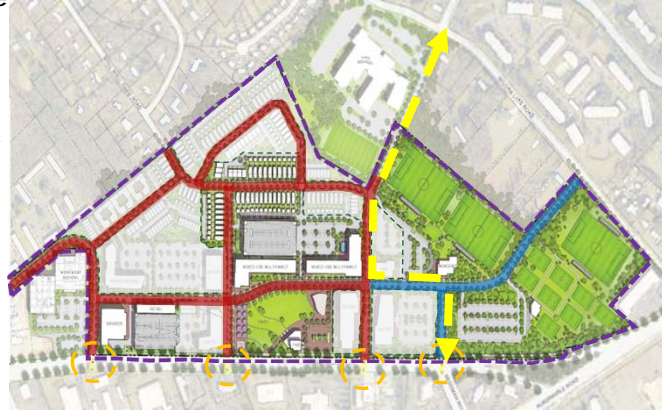
Crosland Southeast will complete initial site work

- Site demolition, grading, etc.

Infrastructure site work to include:

- Underground utilities and storm water detention
- Public road improvements interior to the site increasing connectivity to and within the site
 - Sidewalks, planting strips, lighting, etc.
 - Greenway connection through the site
- Offsite improvements per rezoning
 - Traffic signals
 - Intersection improvements

Complete by end of 2022



Public Improvements/Benefits – Crosland Southeast

Public park / open space – Phase 1

- Currently working with County
- Walking and bicycle trails throughout the development
- Greenway connection through the site

Small business opportunities – Phase 1

- Preference for local minority owned businesses
- Opportunities to incorporate local

Housing affordability – Phase TBD

- LIHTC application submittal in January 2021
- LIHTC timing dictates delivery schedule
- 80-100 units of senior affordable housing
- Mix of 30%-80% AMI

Public parking – Phase 1

- Shared with mix of structure and surface parking
- Structured parking required to create sufficient density to allow for more active uses (park, F&B, retail, etc.)



Public Improvements/Benefits – Tepper Sports (Phase 1)

- Charlotte FC Elite Academy HQ, training, tournaments, and camps
- Charlotte FC open practices
- Community use of fields
- Camps, clinics, festivals, tournaments and other events operated by Tepper Sports
- International club and national team open practices
- Activity generator for east Charlotte



Site Plan – Future Phases



Overall Site Plan



Public Private Partnership

Public Private Partnership

Transformational opportunity for the east side requires effective public private partnership

City-owned property creates opportunity and control of development

- Ensures quality long term

Partnership important to achieving our community goals?

- Housing affordability
- Economic spark for the east side
- Small business creation/expansion
- Sports

Kick-off to Corridors of Opportunity strategy for Central/Albemarle area

Site located within an Opportunity Zone

Areas for partnership:

- Land
- Infrastructure
- Other public benefits
 - Housing affordability
 - Small/minority business inclusion
 - Public / open spaces
 - Community usage of athletic fields
 - Tourism generation



Land – Crosland Southeast

Ownership transfer to occur in phases as development is ready; not all at once

- Protects City's interest throughout development process

Land transferred in purchase agreement with Crosland Southeast

- Specific terms of property transfer to be finalized in development agreement
- Land value may be considered as mechanism to deliver opportunities targeting small and local businesses

Appraised value = \$138,807 / acre (\$3.19 / SF)



Public Investment – Crosland Southeast

Estimated Infrastructure cost - \$22.45 million

2016/2018 Capital Investment Program* - \$17.13 million

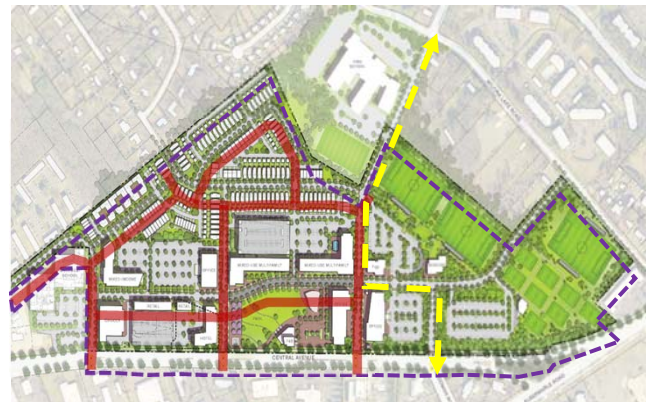
- Site work (grading, demolition, etc.)
- Under ground utilities and storm water detention
- Public road network - Sidewalks, planting strips, lighting, etc.
- Greenway connection through the site

Tax Increment Grant (City & County) - \$11 million

- Pending County approval
- 45% increment over 20 years
- Public infrastructure
 - Structured parking, roads, utilities

Public park / open space - \$6-\$8 million (estimated)

- Working with County on partnership opportunity



General Terms – Crosland Southeast

Land transaction(s)

- City to transfer specific parcels to developer as **parcels are considered** by the City and developer to be ready for development

\$20 million of CIP funds allocated in 2016 and 2018 bonds towards the redevelopment of Eastland Mall

- \$2.87M – approved 10/12 to purchase adjacent Wilora Lake property
- Up to \$17.13 million – site development CSE to build on City owned property

TIG – \$11 million

- Pending County approval
- TIG supports reimbursing Crosland Southeast for public infrastructure such as public roads and structured parking
- Grant terms – 45% of increment and no more than 20 years

The Small business support - \$3 - \$5 million

- Focus on local small businesses
- Land value may be used to support financial feasibility

Housing affordability

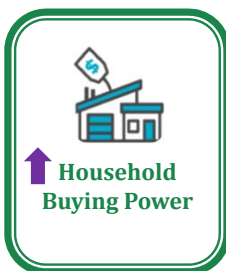
- 80 – 100 units
- 30%-80% of AMI
- LIHTC process begins in Phase 1
 - LIHTC schedule will determine project delivery schedule

MWSBE participation – in progress – TBD

Revenue sharing opportunities

- % share of lease revenues above and beyond a specified amount
- % share of land sold to third parties

Return on Investment – Crosland Southeast



Return on Investment – Crosland Southeast




3,793
Total construction jobs (1,803 direct)



1,566
Total recurring jobs (1,007 direct jobs)



1:7.3
Leverage Ratio



\$190+ Million
private investment



\$1.8 Million
annual City & County property taxes



CHARLOTTE.
\$660,000
annual City property taxes



Land – Tepper Sports

Propose a ground lease to Tepper Sports for land as activated

- Ensures long term control of significant acreage
- City has similar structure with other agreements

Future development parcel to be determined as development progresses



Public Investment – Tepper Sports

Hospitality Funds – Approx. \$10 million

- Up to \$10 million to cover the following
 - Reimburses expenses related to developing fields, Academy HQ, parking, infrastructure

\$2.87M of the \$20 M in CIP funds (from 2016 & 2018 bonds)

- Site acquisition of Wilora Lake property



General Terms – Tepper Sports

Land transaction(s)

- City to ground lease specific parcels to Tepper Sports

Approx. \$10 million in hospitality funds

- Support the construction of infrastructure and sports facilities that will facilitate growth in tourism activities

Tepper Sports will construct and operate a soccer complex

- HQ for Charlotte FC's Elite Youth Academy
- Show pitch (with spectator seating) for special events, including academy matches, tournaments, occasional open practices for Charlotte FC's MLS team and training sessions for club national teams visiting Charlotte annually for matches at Bank of America Stadium (e.g. Liverpool FC, Bayern Munich, Mexican National Team, etc.)
- MLS regulations fields and community use fields

Atrium Health partners on site with a facility

Target completion – 2022

Impact Summary – Tepper Sports

Total private investment - \$450 million

CIP Investment - \$2.87 million

- Wilora Lake property

Hospitality Investment – Approx. \$10 million

City and TSE to enter into a Community Benefits Agreement

- Creation of no less than eight futsal practice courts in eight locations throughout the city of Charlotte
- Annual donation of soccer equipment and accessories to Charlotte schools in need that have soccer programs
- Charlotte Creation of a strategy for MWSBE participation (and/or other workforce strategies) for the construction of the various projects contemplated by this framework

Annual tournaments, camps, clinics, festivals and other events

Tourism tax generator

International club training at Eastland during international friendly matches and tournaments

Approx. 100 days programmed activity before local programming

Atrium investment

Eastland Total Public Investment

2016/2018 CIP	\$20M
Infrastructure - \$17.2M	
Land acquisition – Wilora Lake site \$2.8M	
Tax Increment Grant	\$11M
City - \$4.0M	
County - \$7.0M (<i>pending</i>)	
Hospitality Funds – CLT FC / Elite Academy HQ	Approx. \$10M
Land Reduction (Small Business)	\$3-\$5M
County Park (pending)	\$6-\$8M
TOTAL	\$50-\$54M
Potential City Investment	\$37-\$39M

Checklist for Success

Community Goal	Achieved in Plan	In Progress	Not Achieved
Enhance perception of east Charlotte	✓		
Sports fields / soccer to spur tourism activity & create an attraction for audiences of every ethnicity	✓		
Retail / F&B – diverse mix of higher quality shopping & entertainment options; reduce out of corridor trips	✓		
Green/open spaces; connectivity & walkability; civic development	✓		
Quality housing	✓		
Arts & entertainment		✓	
Unify local communities building on cultural & international diversity		✓	
Increase equitable economic development (opportunities for small and local businesses)	✓		

Next Steps

November 9 – City Council decision – Crosland Southeast & Tepper Sports

- Authorize the City Manager, or his designee to negotiate and execute the Master Development Agreement with Crosland Southeast based on the terms presented.
- Authorize the City Manager, or his designee to negotiate and execute a contract with Tepper Sports for the reimbursement of costs associated with their development of the Eastland site and improvements in and around Bank of America Stadium for no more than \$35 million

Winter 2020/2021 – Begin CSE demolition and site work



**TEPPER
SPORTS –
TERM
SHEET
CHANGES**

Original – November 2019

\$110M Hospitality Funds

- Allocations between Eastland and Uptown never determined

MLS Non Relocation for 15 years

MLS HQ at Eastland (approx. 20,000SF)

Improvements to BoA Stadium

No \$\$\$ spent until long term vision established for Uptown District

- No timeline established

Community Benefits Agreement

Newly Proposed – 2020

\$35M Hospitality Funds

- Approx. \$10M to Eastland and \$25M Uptown

Non Relocation for 9 & 10 years

Elite Academy HQ at Eastland

- 15,000 SF
- 20-25 full time / 30-40 part time
- Approx. 100 annual programed days (excludes community play)

Introduction of Atrium at Eastland

- Approx. +/- 10,000 SF
- 20-30 employees

Improvements to BoA Stadium

Creation / Plan for Uptown District


- Completed 2021/2022

Community Benefits Agreement

Questions?


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Uptown District



The map, titled "OVERALL CONCEPT PLAN", shows the Uptown District in Charlotte, North Carolina. Key features include:

- Neighborhoods:** WEST MOREHEAD, THE FOUNDRY, GATEWAY DISTRICT, LEGACY UNION, THE GOLD DISTRICT, and FOUNDRY WEST.
- Landmarks:** BANK OF AMERICA STADIUM, ROMARE BEARDER, and 4TH WARD PARK.
- Infrastructure:** I-77, I-85, and the Charlotte-Mecklenburg Transit Authority (CMTA) light rail lines.
- Other:** A large green area representing a park or development site near the stadium.

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Site Plan – June 2019 Community Meeting



General Terms – Crosland Southeast

The Small business support - \$3 - \$5 million

- Focus on local small businesses
- Land value may be used to support financial feasibility

Housing affordability

- Minimum of 80 units
- 30%-80% of AMI
- LIHTC process begins in Phase 1
 - LIHTC schedule will determine project delivery schedule

MWSBE participation – in progress - TBD

Return on Investment – Crosland Southeast

