

Legislation Text

File #: 15-14545, Version: 1

Tepper Sports and Entertainment Agreements for Major League Soccer (Eastland Mall Redevelopment and Bank of America Stadium)

Action:

- A. Authorize the City Manager, or his designee, to negotiate and execute development and improvement agreements, leases, licenses, and related agreements with Tepper Sports & Entertainment (TSE) setting forth the terms and conditions of the city and TSE's partnership regarding bringing Major League Soccer (MLS) to Charlotte, sharing in costs associated with Bank of America Stadium-related improvements for MLS, the creation of a vision for a mixed-use district in Uptown to support activation around Bank of America Stadium, the creation of the MLS Elite Academy headquarters and soccer complex at the Eastland Mall site, and provision of community benefits throughout the city;**
- B. Authorize the City Manager, or his designee, to negotiate and execute agreements with TSE for the reimbursement of costs for expenses associated with MLS at Bank of America Stadium and the Eastland Mall site in an amount not to exceed an aggregate of \$35 million, which will be reimbursed from Hospitality Funds; and**
- C. Authorize the City Manager to negotiate and execute any further agreements, documents and instruments, and revisions to TSE/City agreements, as may be necessary in connection with each of the above.**

Staff Resource(s):

Tracy Dodson, City Manager's Office

Explanation

- In November 2019, City Council agreed to the concept that up to \$110 million of Hospitality Funds could be spent to develop a MLS facility at the Eastland Mall site, make improvements to Bank of America Stadium, and the development of a long term vision and strategy for a district in Uptown that retained MLS and National Football League (NFL) in Charlotte for the long term.
- Due to the economic disruption and damage caused by the COVID-19 pandemic and the continued interest in building a partnership that benefits multiple parts of the City of Charlotte for both MLS and NFL, TSE and the city proposed to modify the partnership to:
 - Provide an anchor at the Eastland Mall site with MLS Elite Academy headquarters and an associated mixed-use soccer complex, building community assets and improving the overall Eastland Mall site;
 - Establish a framework and long-term strategy for a mixed-use district in Uptown Charlotte which supports sports (including MLS and NFL) and entertainment (the "Uptown District") and accommodates transportation infrastructure and solutions; and
 - Assist with improvements to Bank of America Stadium as a home for the Charlotte FC MLS club, the Carolina Panthers NFL club, and other live events.
- Eastland Mall
 - The city purchased approximately 80.4 acres of the former Eastland Mall property in August 2012 as an opportunity to aid economic development and neighborhood revitalization in the area. Eastland Mall was demolished in 2013.
 - On October 22, 2018, City Council authorized the City Manager to execute a pre-

development agreement with the development team led by Crosland Southeast, LLC. The proposed vision plan included an anchor sports complex.

- For no less than 10 years, TSE will operate and manage the soccer complex at the Eastland Mall site and provide the following:
 - A headquarters for Charlotte FC's Elite Youth Academy which includes an approximately a 15,000 square foot building,
 - MLS and community-use fields, and
 - Year-round programming for the complex, including approximately 100 days of use from Charlotte FC Elite Youth Academy events and activities, MLS-related events and activities, special events, community use, tournaments, camps, clinics, and festivals, and other commercial events and activities.
- Bank of America Stadium/Uptown
 - TSE will make improvements to Bank of America Stadium to provide a first-class soccer experience for fans, players, coaches, and viewers around the United States and the world. Improvements will be designed to increase the attraction and marketability of Bank of America Stadium/Charlotte for live, promoted events and to increase economic activity in Uptown Charlotte.
 - TSE will agree to a non-relocation agreement for Charlotte FC with the city for a period of nine years from the commencement of Charlotte FC's initial playing season at Bank of America Stadium (currently projected for 2022).
 - Among other contemplated improvements, TSE will create Charlotte FC and visiting team new locker room facilities, including medical, lounge, office, and other spaces with sports and entertainment venues.
 - TSE and the city, will participate in a Master Plan for a new stadium/events district. The Master Plan would identify possible locations for event venues, possible stadium locations, light rail alignments, parking facilities, pedestrian improvements, infrastructure investments, transportation solutions, and an Uptown District.
 - The city and TSE will establish target completion dates for the Master Plan, but no later than 2021 for the Uptown District, and no later than mid-2022 for future venue sites.
- TSE and the city will enter into a Community Benefits Agreement. It is expected that this agreement will contain (but is not limited to) the following items:
 - Community-based coaching, coaching education, and MLS Academy development programs that will have a presence throughout the City of Charlotte;
 - 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 City of Charlotte schools in need that have active soccer programs;
 - The donation of 1,000 tickets per year to Charlotte FC games to non-profit organizations serving youth or those in need in the City of Charlotte; and
 - The creation of a strategy for MWSBE participation and/or other work force strategy for the construction of the various projects contemplated by this framework.

Charlotte Business INclusion

The city negotiates Subcontracting participation for Public-Private Partnerships (P3) after the scopes of work are defined. (Part G: Section 2.5 of the Charlotte Business INclusion Policy).

Fiscal Note

Funding: General Capital Investment Plan and Tax Increment Grant