

Stadium Cost and Land Value

- Stadium and Infrastructure
 - Cost of stadium and infrastructure reconfirmed at \$54M (budget is tight)
 - Knights responsible for all cost overruns on construction costs
- Land Value
 - County purchased entire tract in 2000 for \$24M
 - Land valued at \$20M based upon acreage used for stadium

Comparable Minor League Stadium Partnerships

<u>City/Team</u>	<u>Year Opened</u>	<u>Total Cost of Stadium Project</u>	<u>Private Amount</u>	<u>Public Amount</u>	<u>% Public</u>
Louisville, Kentucky <i>Louisville Bats (AAA)</i>	2000	\$40M	\$5	\$35M	87.5%
Indianapolis, Indiana <i>Indianapolis Indians (AAA)</i>	1996	\$18M	\$4M	\$14M	77.8%
Columbus, Ohio <i>Columbus Clippers (AAA)</i>	2009	\$74M	\$53.7M	\$20.3M	27.4%
Sacramento, California <i>Sacramento River Cats (AAA)</i>	2000	\$42M	\$42M		0%
Allentown, Pennsylvania <i>Lehigh Valley Iron Pigs (AAA)</i>	2008	\$50.25M		\$50.25M	100%
Toledo, Ohio <i>Toledo Mud Hens (AAA)</i>	2002	\$42M	\$14M	\$28M	66.7%
Birmingham, Alabama <i>Birmingham Barons (AA)</i>	2013	\$64M		\$64M	100%
Oklahoma City, Oklahoma <i>Oklahoma City RedHawks (AAA)</i>	1998	\$35M	\$2M	\$33M	94.3%
Lawrenceville, Georgia <i>Gwinnett Braves (AAA)</i>	2009	\$64M		\$64M	100%
Durham, North Carolina <i>Durham Bulls (AAA)</i>	1995	\$16M	\$2M	\$14M	87.5%

Charlotte Knights Stadium Analysis (3/15 vs. 4/4)

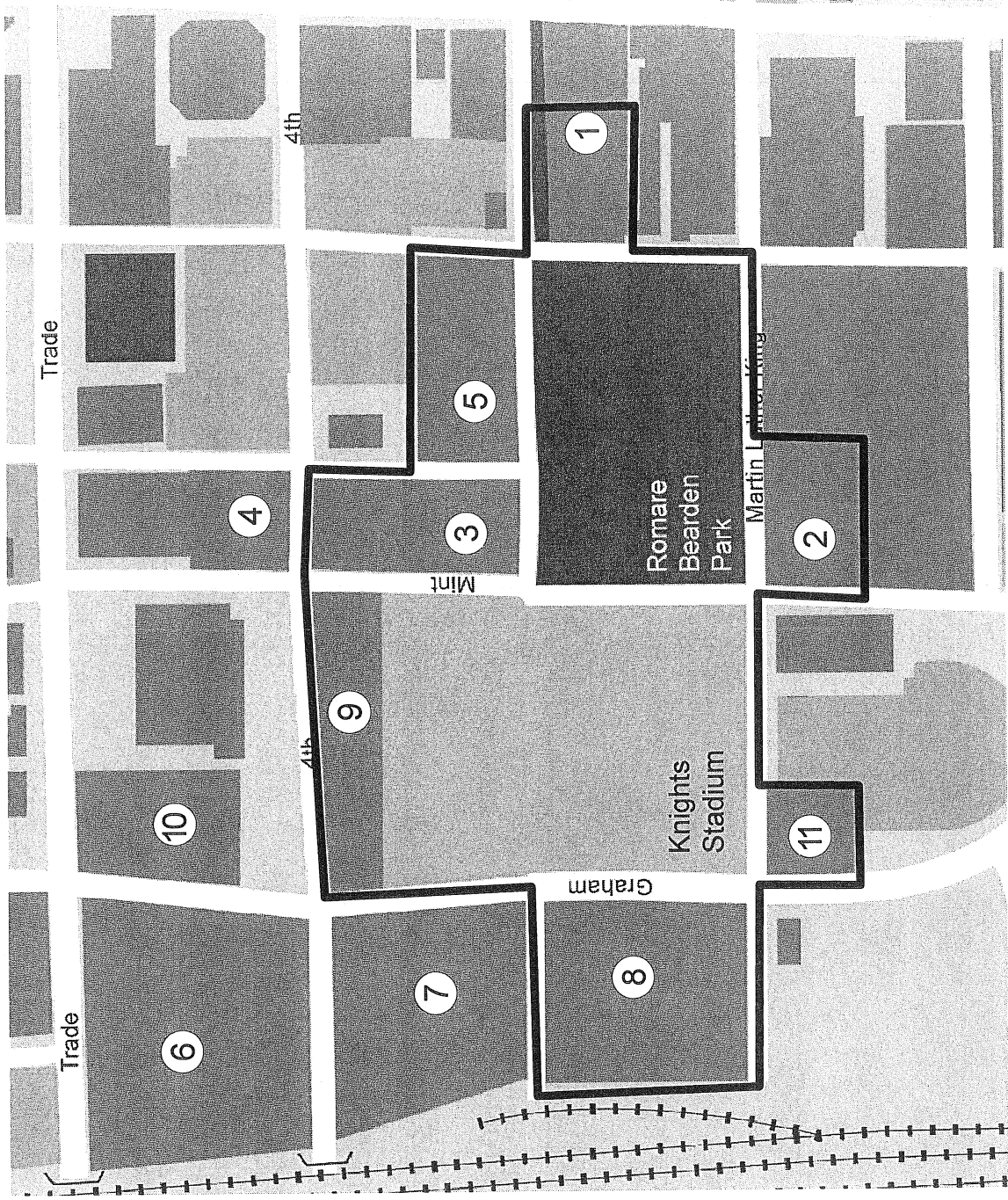
	Knights Proposal 3/15/12	City Analysis 4/4/12
Knights Investment (Equity, Financing, Naming Rights, Suite Sales)	\$35M	\$37M
County Investment	\$8M	\$8M
City Investment	\$11M	\$9M*
Total Stadium Cost	\$54M (65/35)	\$54M (70/30)
County Land Contribution	Silent	\$20M
Total Stadium and Land Cost	Silent	\$74M (50/50)

* \$4.5M from Tourism Funding
\$4.5M from Economic Development Grant

Tourism Analysis

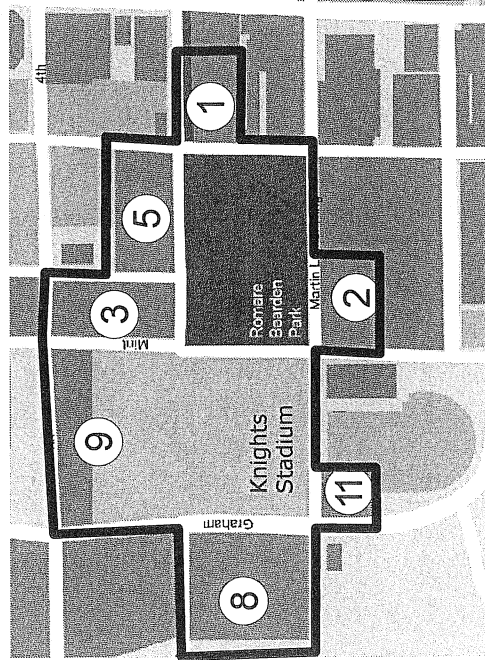
- 10 years of equal payments of \$611,500 per year yields \$4.5M net present value at 6% discount rate
- Annual payments cease if Knights fail to perform (i.e. play baseball uptown)
- Source of funds is first 3% occupancy tax for tourism
- First payment to be made after stadium is complete and Knights are playing baseball uptown

Tax Increment Capture Area



Projected Development

Parcel	Use	Year	Value
9	Stadium / hotel	2014	\$90 MM
2	Residential	2014	\$55 MM
8	Residential	2015	\$60 MM
3	Mixed Use	2016	\$57 MM
11	Residential	2019	\$20 MM
1	Residential	2019	\$65 MM
5	Mixed Use	2020	\$15 MM
		Total	\$362 MM



Value Capture Calculations

Fiscal Year	High Revenue*	Low Revenue*	Estimated Revenue (90%)	@Running NPV 90% TIG
2015	232,223.99	200,189.70	216,206.84	\$203,968.72
2016	428,893.65	361,836.00	395,364.83	\$555,842.01
2017	515,026.35	432,630.00	473,828.18	\$953,677.28
2018	596,852.42	499,884.30	548,368.36	\$1,388,036.38
2019	678,678.48	567,138.60	622,908.54	\$1,853,509.88
2020	850,943.88	708,726.60	779,835.24	\$2,403,262.95
2021	965,787.48	803,118.60	884,453.04	\$2,991,474.74
2022	965,787.48	803,118.60	884,453.04	\$3,546,391.51
2023	965,787.48	803,118.60	884,453.04	\$4,069,897.91
2024	965,787.48	803,118.60	884,453.04	\$4,563,771.87
2025	965,787.48	803,118.60	884,453.04	\$5,029,690.70

10 Yr. NPV \$4,972,201.68 \$4,155,342.06 \$4,563,771.87

Additional Agreement Terms

- Knights must play baseball uptown to earn payments on reimbursement basis; otherwise, payments cease
- Knights responsible for all operating losses, since they own improvements and are totally responsible for operations
- As stated earlier, Knights responsible for construction cost overruns
- If litigation prevents completion of the baseball stadium, Knights must pay City's legal costs

Additional Agreement Terms (cont'd)

- County's agreement is unaltered
- Knights receive right-of-way use during construction from City at no cost (standard when City partners)
- SBO provisions still being finalized, and will be part of agreement brought back on April 19

What This Returns to City

- An entertainment facility available for the general public and families at a very affordable price
- A venue that convention goers and leisure tourists will help pay for
- A facility that will host many community events and special sporting events that are beneficial to Charlotte
- A fair and equitable public/private partnership for all parties
- Risk protection for the taxpayers
- \$38M in direct annual economic impact, \$66M in total annual economic impact
- 490 direct jobs annually, 749 in total jobs annually (most all NC instead of SC)

Next Steps

- Come back to ED Committee on April 19
- Provide follow up answers to questions from today
- Proposed final agreement to be presented for review
- Gauge on April 19 Committee readiness to make a recommendation to City Council
- After Committee recommendation, schedule it for City Council dinner briefing, then for a future Council agenda for action

Public -Private Partnerships Update

	Year Approved	Name of Project	Year Complete	Type of Public-Private Partnership	Private Investment	Public Investment	Leverage
1	2000	Westin Hotel	Complete 2005	Infrastructure	\$65M	\$16M	4 to 1
2	2001	City West Shopping Center	Complete 2004	City/Federal ED loan/grant	\$4.4M	\$900,000	5 to 1
3	2003	Wilkinson Park Business Center	Complete 2008	City/County ED grants	\$25M	\$4.6M	9 to 1
4	2004	Elizabeth Avenue Redevelopment	In progress	City/County 90%/10yr. STIG	\$220M	\$13M	17 to 1
5	2004	Epicerie	Complete	Infrastructure	\$50M	\$2.2M	23 to 1
6	2005	Mid -Town / Metropolitan	Complete*	City/County 90% STIG	\$240M	\$34M	7 to 1
7	2005	Cultural Arts Campus/Wells Tower	Complete 2010	City/County 90% on \$400M/25yr.STIG + Rental Car Tax	\$800M	\$126M	6 to 1
8	2007	Seaboard Street/NC Music Factory	In progress	City 90%/10yr. STIG	\$135M	\$1.7M	79 to 1
9	2007	IKEA/Belgate	In progress	City 90%/10yr. STIG	\$187M	\$5.4M	35 to 1
10	2007	Double Oaks/Brightwalk	Under construction	City 90%/10yr.STIG	\$119M	\$3.6M	33 to 1
11	2007	First Ward	In progress	City/County 45%/10yr.STIG	\$800M	\$12.4M	65 to 1
12	2007	Greenway Business Center (Rozzelles Ferry)	In progress	City/County Corridor grant	\$4M	\$2.4M	2 to 1
13	2007	Scaleybark	In progress	Land write down/Housing Trust Fund	\$140M	\$5M	28 to 1
14	2008	Wesley Village/Bryant Park	Complete 2010	City 90%/10yr.STIG	\$33M	\$1.36M	24 to 1
15	2008	City Park (Tyvola Road)	In progress	City 45%/10yr.STIG	\$624M	\$5.8M	107 to 1
16	2008	Bryant Park	In progress	City 90%/10yr. STIG	\$170M	\$2.2M	77 to 1
17	2011	Ballantyne Area Infrastructure	In progress	City/County 45%/15yr.STIG	\$400M	\$11M	36 to 1
18	2011	Mosaic Village	Under construction	City Corridor grant	29.1M	3.2M	9 to 1
19	2012	Oakhurst Infrastructure	In progress	Transportation CIP	\$50M	\$1.9M	26 to 1
20	2012	Poindexter	In progress	SCIP Infrastructure	\$30.4M	\$800,000	38 to 1
		*Multi-family underway to complete					
Definitions: SCIP-South Corridor Infrastructure Program; STIG-Synthetic Tax Increment Grant; CIP- Capital Improvement Program							

