

**KANNAPOLIS DOWNTOWN  
REVITALIZATION:  
PROPOSED MASTER DEVELOPMENT PLAN**

*Development Finance Initiative, June 2016*

# MASTER PLANNING PROCESS



# MARKET ANALYSIS

## *If We Make No Investment in Downtown*

<b>Use</b>	<b>Estimated “High” Projection 10 Years (2025)</b>	<b><i>Annual</i></b>
<b>Residential</b>	500 units	<i>50 units</i>
<b>Retail</b>	55,000 SF	<i>5,500 SF</i>
<b>Office</b>	70,000 SF	<i>7,000 SF</i>
<b>Hospitality</b>	0 rooms	<i>N/A</i>

# SITE ANALYSIS

***If We Invest  
in Downtown***

Use	Scale	%
Residential	1,500,000	66%
Retail	300,000	13%
Office	400,000	18%
Hotel	70,000	3%
<b>Total Built</b>	<b>2,270,000</b>	<b>100%</b>
Structured Parking	4,000	spaces
<b>Total Parking</b>	<b>4,000</b>	<b>spaces</b>
Anchor Projects	7	<b>acres</b>
Open Space	3	acres

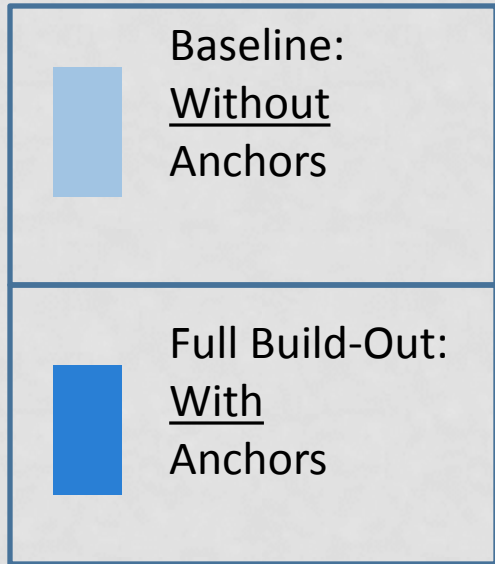
# ANCHOR PROJECTS

- ***Market and Site Analysis Demonstrates Need for Anchor Projects***
- ***Narrowed to three: Sports & Entertainment Complex, Performing Arts Center and Children's Museum***
- ***Based on need, return on adjacent investment and people attractor***

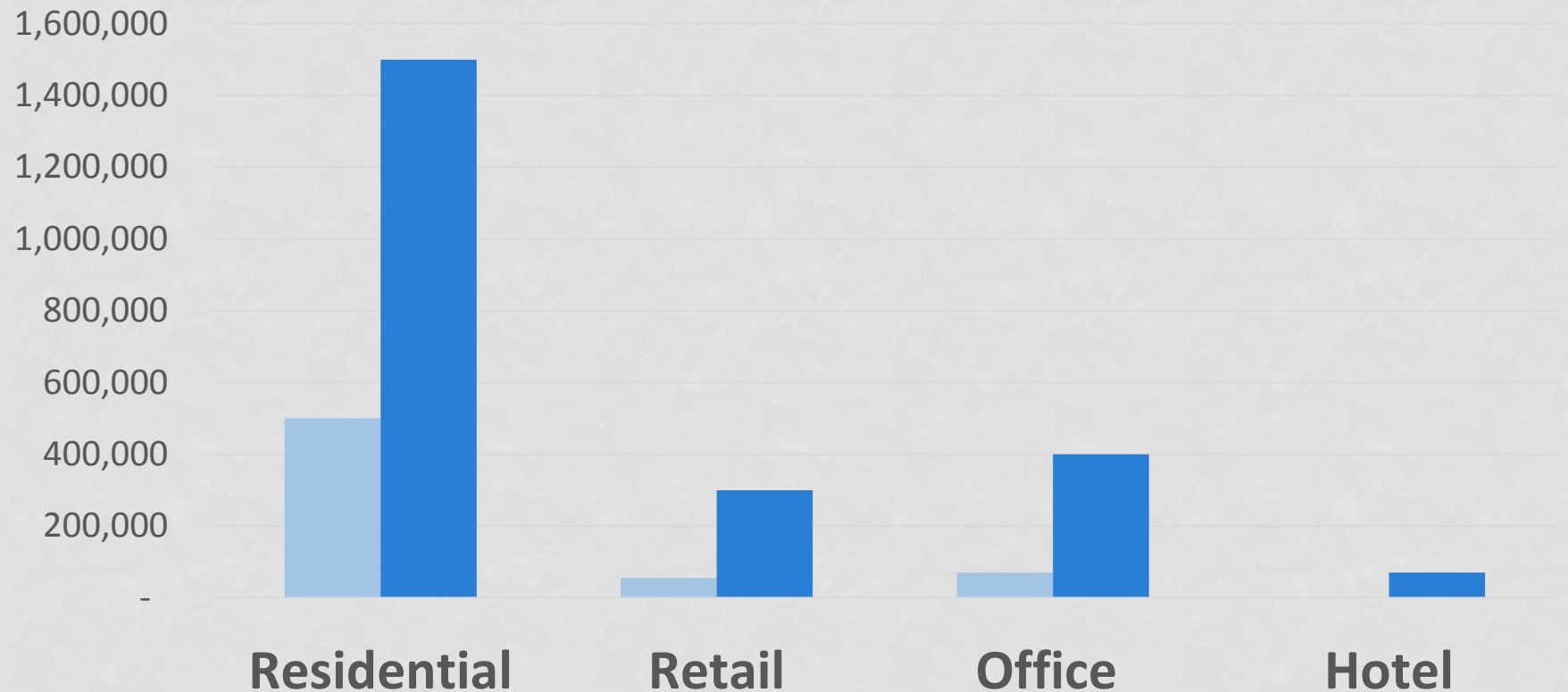
# MARKET ANALYSIS WITH ANCHOR PROJECTS

Metric		Minor League Stadiums	Performing Arts Centers	Children's Museums
Annual Visits	Average	280,000	225,000	335,000
	Range	200k - 350k	90k - 360k	165k - 645k
Development Cost	Average	\$40M	\$44M	\$25M
	Range	\$33M - \$53M	\$26M - \$57M	\$7M - \$45M
Adjacent Private Development	Average	\$26M	\$14M	\$1.2M
	Range	\$20M - \$40M	\$5M - \$23M	\$0 - \$3.3M

# MARKET & SITE ANALYSIS WITH ANCHOR PROJECTS



Downtown Demand: Baseline vs. Full Build-Out by Use  
*(in Square Feet)*





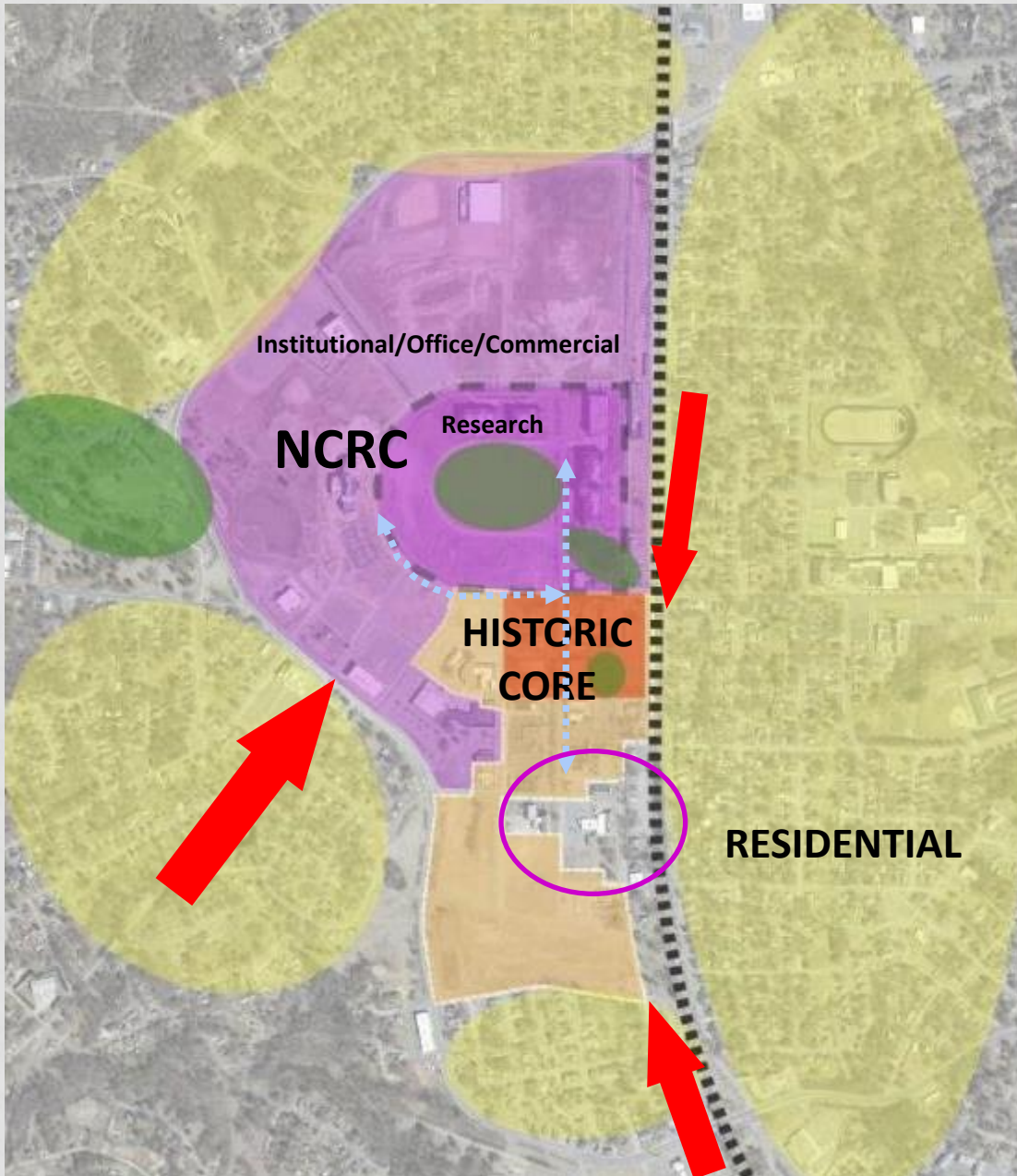
# GUIDING PRINCIPLES

- **Density:** *Encourage density of development to create activity on the street, drive demand and capture value.*
- **Mixed Use:** *Create a mixed-use district that supports day to night activity, attracts diverse users and expands the downtown market.*
- **Generate Demand:** *Generate local and regional demand through appropriately scaling, phasing and locating anchors and amenities.*
- **Historic Preservation:** *Respect the historic integrity of downtown by leveraging historic assets and creating a unique sense of place.*
- **Leverage Public Investment:** *Leverage public dollars in order to maximize private investment that improves the quality of life for Kannapolis citizens.*





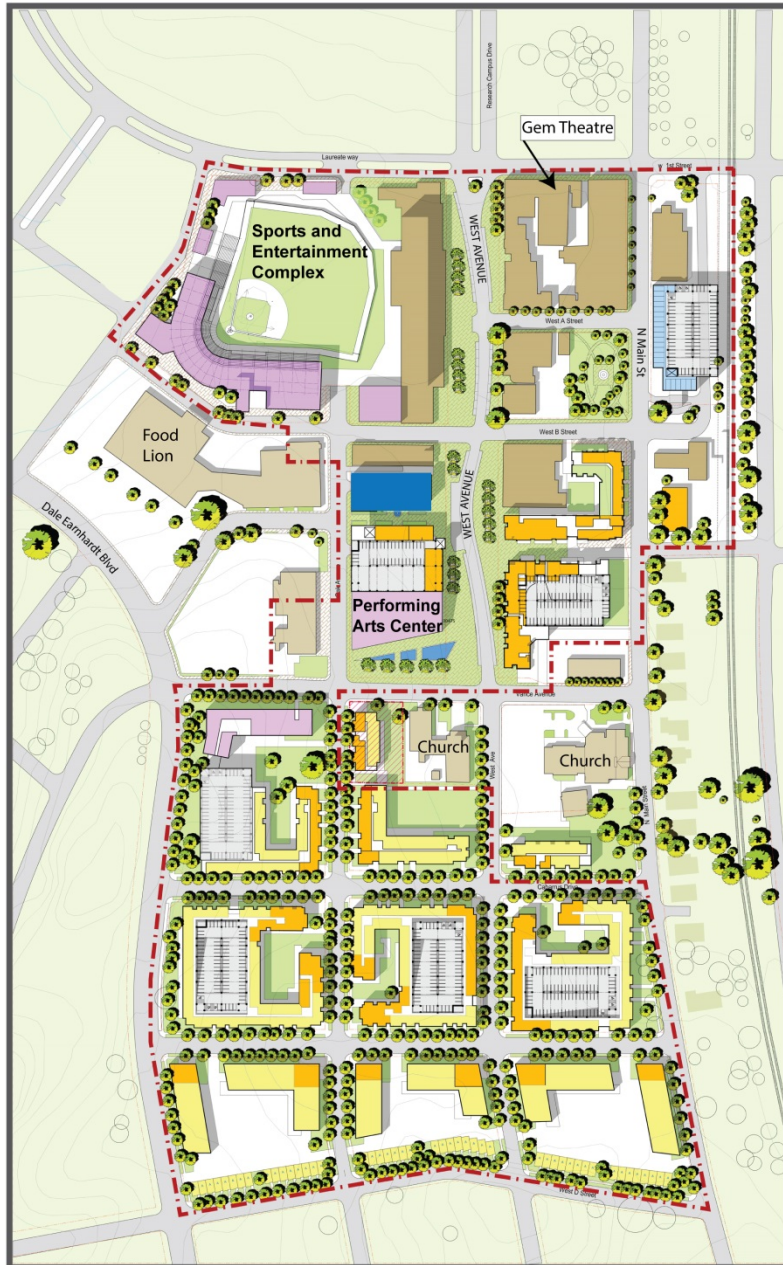
## DOWNTOWN INFLUENCE AND ASSET MAP



- Nearby neighborhoods and adjacent uses
  - Residential
  - Greenspace
- Historic core and existing buildings
  - Gem Theatre
  - Train Station
  - Retail
- North Carolina Research Campus
  - Research core
  - Institutional/office/commercial
  - Greenspace
- Downtown Gateways
  - Pedestrian walkways
  - Vehicle entrances
- Southern District

# PROPOSED DOWNTOWN MASTER PLAN

# MASTER PLAN BIG IDEAS



- 1. Construct two anchors - a sports & entertainment complex and a performing arts center**
- 2. Preserve historic character**
- 3. Construct infrastructure & public amenities that generate value**
- 4. Create residential density**



# MASTER PLAN BIG IDEAS

**Construct sports and entertainment complex**





# MASTER PLAN BIG IDEAS

**And Build a Performing Arts Center**





# MASTER PLAN BIG IDEAS

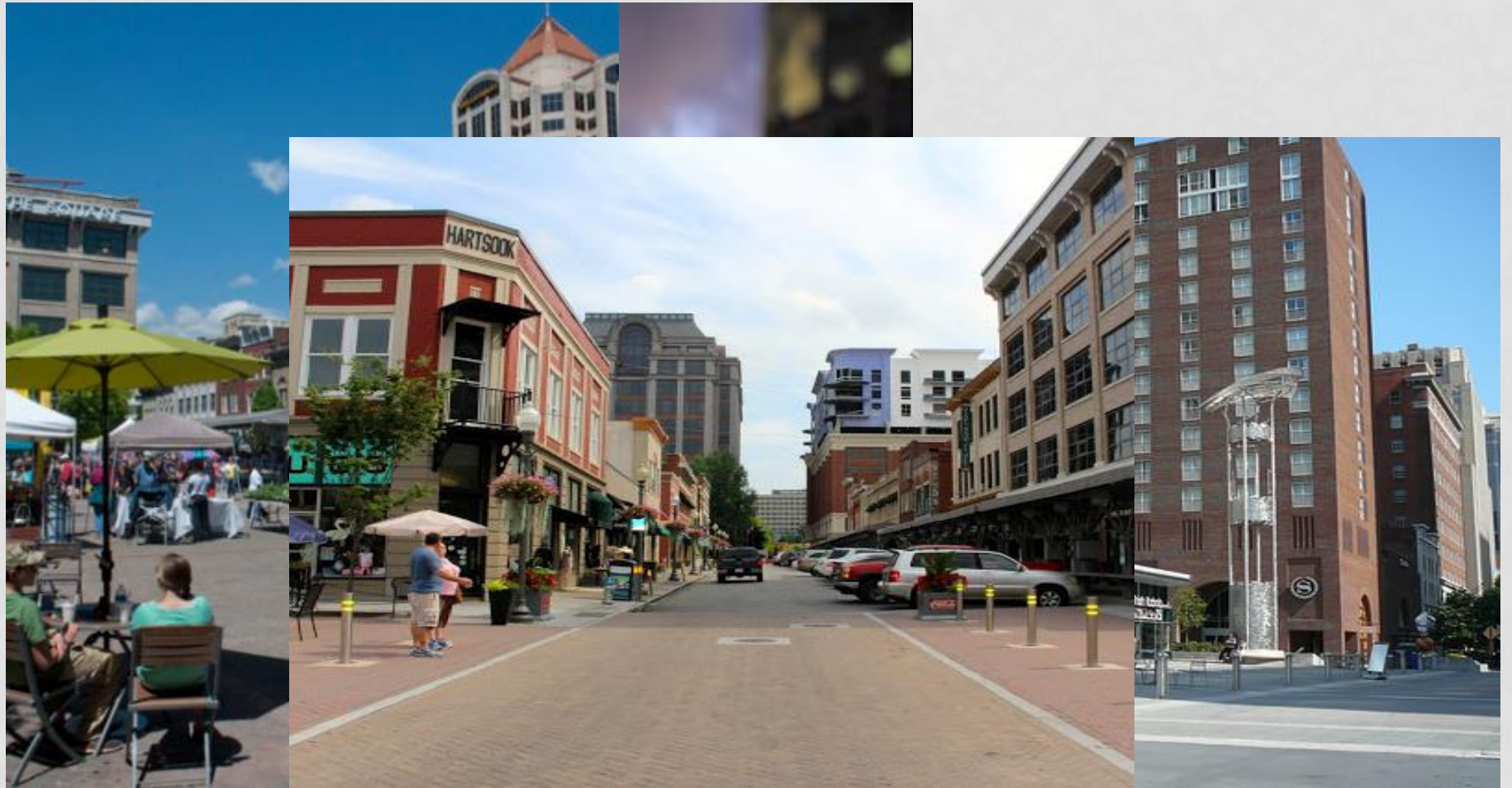
**...To Drive Activity in the Historic Core**





# MASTER PLAN BIG IDEAS

**Construct infrastructure & public amenities that generate value**





# MASTER PLAN BIG IDEAS

**Construct infrastructure & public amenities that generate value**





# MASTER PLAN BIG IDEAS

**Create a residential district**





# ADDITIONAL ANTICIPATED DEVELOPMENT

**Hotel Location**



# ADDITIONAL ANTICIPATED DEVELOPMENT

**Office Location**





# ANTICIPATED PHASING OF DEVELOPMENT

**Phase I – Next 4 Years**

**Phase II – Within 10 years**

**Phase III – Full build out within 20 Years**





# DEVELOPMENT PHASING – NEXT 4 YEARS

<b>Project</b>	<b>Plan/Design</b>	<b>Complete (Construction)</b>
<b>Demonstration</b>	Mid 2016	<i>End 2018</i>
<b>Infrastructure (redesign of streets, utilities)</b>	Early 2017	<i>Early 2018</i>
<b>Marketing Plan Implementation</b>	2017	<i>Ongoing</i>
<b>Sports &amp; Entertainment Complex</b>	July 2016	<i>April 2020</i>
<b>Commercial Broker</b>	End 2016	<i>Ongoing</i>

# DEVELOPMENT PHASING (10-20 YEARS)

Project	Plan/Design	Complete (Construction)
Hotel/Office	Market Demand	
Residential	2017 (as part of Demonstration Project) Additional Units Driven by Market Demand	<i>Full Build out in 20 years</i>
Performing Arts Center	After 2021	

# PROGRAM & INVESTMENT COMPARISON

# PUBLIC-PRIVATE INVESTMENT MULTIPLE

*For \$1 of public money invested, we expect \$3.40 of private investment*

<b>Total Private Investment</b>	<b>\$374M</b>
<b>Total Public Investment (infrastructure, anchors)</b>	<b>\$111M</b>
<b>Investment Multiple</b>	<b>3.4x</b>

# FUNDING SOURCES

- ***New Private Development Taxes & Revenues***
- ***Current Budget Revenues that do not Require Property Taxes***
- ***Public Partners (County, Intimidator Owners, CVB)***
- ***Other Private Sources (Grants & Private Funding)***

# DEMONSTRATION PROJECT

DOWNTOWN KANNAPOLIS

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# PROJECT GOALS

- Build momentum for downtown
- Generate interest and leverage publicity
- Attract investment for future projects
- Demonstrate successful Public-Private Partnership



*West Avenue View*

# DEMONSTRATION PROJECT LOCATION





**West Avenue, looking east down "New C Street"**





**Main Street**

**Main Street, Looking Southwest**

# DEMONSTRATION PROJECT SUMMARY

- Project Type: Mixed-Use
  - Apartment (200+ Units)
  - Retail, Restaurant, Commercial (35,000 SF)
  - Structured parking (418 spaces)
  - Two Buildings (4-6 floors)
- Projected Value: \$33 M
  - Projected Annual Property Tax Revenue to City: \$208,000
- Public Involvement in Project: \$6M Structured Parking



# QUESTIONS

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