



CHARLOTTESM

**Bojangles Coliseum/Ovens Auditorium
Amateur Sports Complex Redevelopment**

Request for Proposals



City of Charlotte
Neighborhood & Business Services

October 18, 2013

Submissions due by 4:00 PM EST on **November 22, 2013**

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Summary of Offering & Schedule

The City of Charlotte desires to become a top-tier destination for amateur and youth sports. Under the leadership of the Charlotte Regional Visitors Authority (CRVA), Charlotte has become increasingly successful in hosting a wide variety of amateur sports events. Currently, the amateur sports market produces approximately 50% of the City's overall event room night production attributable to CRVA event sales activities. These events have primarily used facilities owned and managed by Mecklenburg County Park and Recreation Department. To move to the next level as an amateur sports destination, the City and CRVA have identified a need for additional indoor facilities to attract additional amateur sporting events to the community.

The City owns 20.32 acres of land located along Independence Boulevard that is home to the Bojangles' Coliseum/Ovens Auditorium Complex. The City intends to acquire additional land surrounding the complex to facilitate a comprehensive site redevelopment for amateur sports related uses.

The City is now seeking to partner with a development team to implement a development plan that will achieve the following objectives:

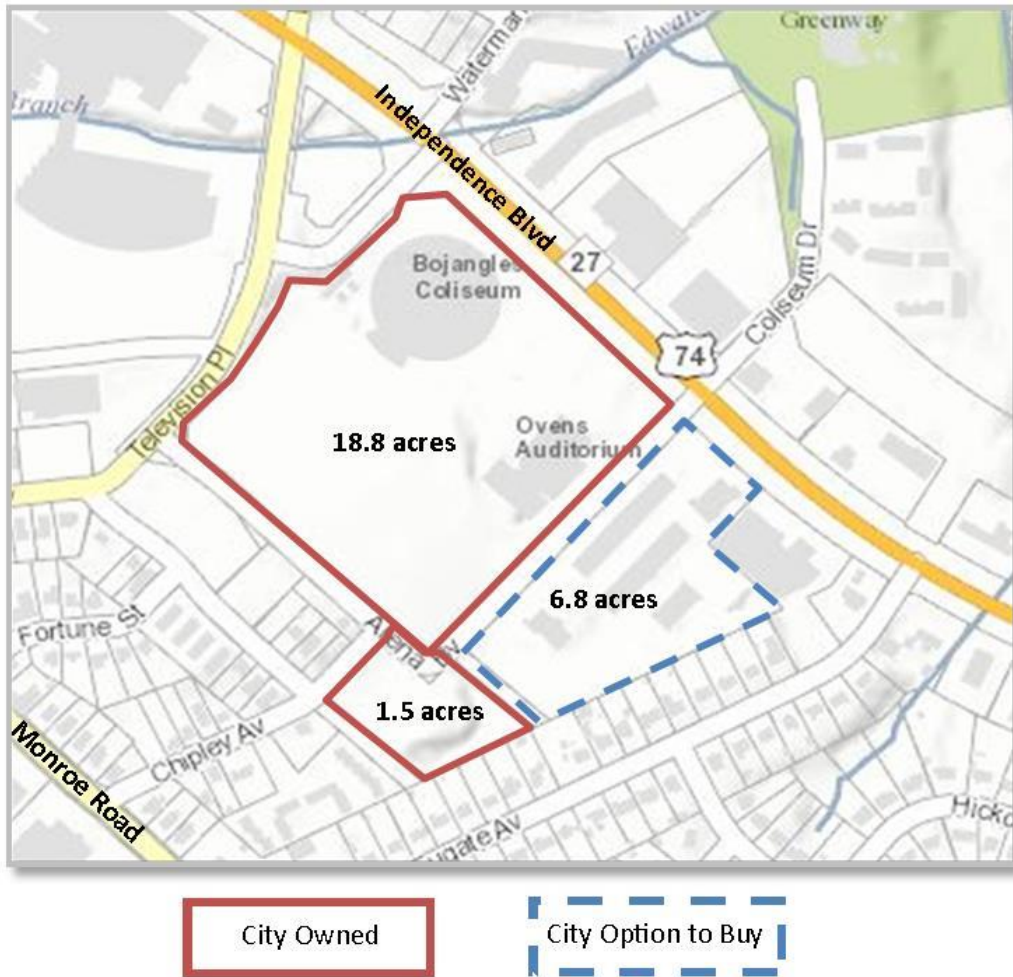
- Provide an indoor sports and recreation facility (minimum 100,000 sq. ft.) to meet market demand, as well as a 150-room hotel and ancillary retail uses.
- Develop a financially viable, phased project using private-sector funding sources in partnership with public funds
- Expand the State and local property, sales and income tax base
- Provide new employment opportunities
- Provide for the recreational needs of the community during times when the facility is not in use for amateur sports tournaments and events
- Provide support for the hotel and tourism industry in the region
- Provide an iconic "gateway" to Independence Boulevard from the Center City

Project Site

Visible from the Center City, the landmark dome of Bojangles' Coliseum opened in 1955 as Charlotte's first coliseum, serving as the region's major sports and entertainment facility for over 30 years. The building closed in 1988, but after extensive refurbishing and retrofitting, the 10,500-seat venue reopened to the public in 1993.

Ovens Auditorium, located adjacent to Bojangles' Coliseum on East Independence Boulevard, opened along with the original Coliseum in 1955. For nearly half a century, world-greats have graced the stage of Ovens Auditorium. With a seating capacity of approximately 2,403, Ovens has hosted more than 7,000 events, attended by 9.4 million people.

The site currently includes approximately 1,350 surface parking spaces. This includes spaces in a small adjacent gravel lot to the southern border of the property.



Concept Plan

The City intends to use public capital funds to renovate Bojangles' Coliseum and acquire adjacent land to provide parking and future development opportunities to support a concept plan that will drive investment in a new amateur sports center for Charlotte. The City seeks a development partner to construct a new facility that provides an additional 100,000+ square feet of flexible, multi-sport playing surface. The goal is to create a facility with capacity to accommodate a minimum of eight (8) full size basketball courts that are adaptable to a variety of configurations and uses. The successful development partner will work closely with the CRVA to cross-promote and market the City's facilities on the site to maximize the revenue and utilization of both. Facilities of this type can also be used to support the recreational needs of residents in times when not in use for amateur sporting tournaments and events.

Designated tourism funds may also be available to leverage a private financing plan, and the City will consider a ground-lease or any other creative financial arrangement that enables the project to be successful.

Future phases include the acquisition and redevelopment of parcels to reorient the development toward Monroe Road

Market Impact & Potential

A February 2012 UNCC report entitled “The Economic Impact of Sports and Sports Events on the Charlotte MSA Economy” measured the economic impact of amateur and youth events at \$232,528,091 for calendar year 2011. Furthermore, the amateur sporting events normally occur over low demand periods, adding significant, incremental economic impact to the hospitality and retail sectors during times of lower business demand.

The CRVA has had initial conversations with representatives of multiple amateur sports governing associations, which are potential users of a new indoor amateur sports complex. These include archery, badminton, basketball, bowling, boxing, cheerleading, fencing, gymnastics, handball, judo, mixed martial arts, powerlifting, table tennis, volleyball, weightlifting and multi-sport events (such as the State Games of N.C.) These discussions included a review of the proposed plan and potential for these sports competitions to use such a facility. CRVA reports strong interest producing events in this type of venue if it was located in the Charlotte market.

Process/Schedule

Questions regarding the RFP should be directed, via email, to Brad Richardson, Economic Development Division Manager; brichardson@charlottenc.gov

Access to the property for due diligence investigations will be available to each Respondent, coordinated by George Hite at george.hite@crva.com or 704-335-3222.

Submittals must be received via mail or delivery no later than 4:00 pm, EST, on **November 22, 2013** to:

City of Charlotte
Neighborhood & Business Services
Economic Development Division
600 E Trade Street, Charlotte, NC 28202
Attn: Brad Richardson

The City intends to select a Respondent for negotiation of a Memorandum of Understanding (MOU) on or before **December 20, 2013**.

The City plans to negotiate and execute an MOU with the selected Respondent, which will define the general terms and conditions of the development framework, the responsibilities of the Respondent and the obligations of the City. The MOU will also set a schedule for obtaining financial commitments and plan approvals. The City reserves the right to reject all proposals.

The selected Respondent will commission the appropriate consultants to define and design the project, secure required permits, obtain necessary equity and debt financing, and engage the construction team for the project.

Site Description

The site is bounded by Independence Boulevard to the north, Briar Creek Road/Television Place to the West, and Washburn Avenue to the South. Future phases envision the development site to extend past Washburn Avenue to Monroe Road. The southern boundaries of the site abut residential uses facing local side streets.

The property is well located with a robust street and arterial network that connects the site to two interstate freeways (I-77 and I-85). The site is approximately two miles (a 2-minute drive) from the amenities of Uptown Charlotte, including luxury hotels and hospitality facilities. It is twelve miles (an 18-minute drive) from Charlotte Douglas International Airport, the sixth busiest airport in the United States and a major hub for US Airways / American Airlines.



Community Objectives

As stated in the Summary of Offering, the City envisions a final project that provides new economic opportunities for residents of the City and region. The City wishes the following objectives to be achieved through redevelopment of the Property:

- Provide an indoor sports and recreation facility (minimum 100,000 sq. ft.) to meet market demand, as well as a 150-room hotel and ancillary retail uses.
- Develop a financially viable, phased project using private-sector funding sources in partnership with public funds
- Expand the State and local property, sales and income tax base
- Provide new employment opportunities
- Provide for the recreational needs of the community during times when the facility is not in use for amateur sports tournaments and events

- Provide support for the hotel and tourism industry in the region.
- Provide an iconic “gateway” to Independence Boulevard from the Center City.

Site and Operating Requirements

The requirements for redevelopment of the Property include a few specific non-negotiable items which include:

- Direct community benefit must be derived from the final redevelopment.
- Respondent must break ground within 24 months of the finalized MOU with the City.
- There must be alternative parking arrangements in place and operable to support on-going event operations prior to the removal of existing parking spaces.
- Several access points for pedestrians and vehicular traffic must be incorporated to accommodate ongoing coliseum/auditorium events, as well as the adjacent neighborhood.
- Respondent must work closely with the CRVA to cross-promote, and coordinate booking calendars with Bojangles Coliseum and Ovens Auditorium to maximize the revenue and utilization of all facilities on the site.
- Respondent must be willing to work with the City and CRVA to collectively determine a method of operating the overall amateur sports complex.

Environmental Sustainability

The City values its environment and ecology and seeks to foster developments that promote and advance sustainability through best practice design principles. Respondents are strongly encouraged to share their experience in developing green & sustainable projects and how they intend to incorporate that experience when developing a full proposal for the site.

Small, Minority, and Women-Owned Business Participation Plan

The City has adopted the Charlotte Business INClusion Program, which is posted on the City’s website and available in hard copy form upon request.

Respondents to this RFP are advised that a condition of lease or sale of the Property will be the required adoption of a small, minority, and women-owned business Participation Plan. The objective of the Participation Plan will be to increase the utilization of Small Business Enterprises, Minority-Owned Business Enterprises, and Women-Owned Business Enterprises. Each proposal should include a Participation Plan that identifies the business enterprises that will provide services. More information can be found at:

http://charmeck.org/city/charlotte/CharlotteBusinessInclusion/Library/Documents/CBI_Program_Policy_Final%20Draft%204-8-2013.pdf

Submission Requirements

The failure of a Respondent to submit ALL of the required information may render the submission incomplete and ineligible for further consideration. The City will determine, at its sole and absolute discretion, whether each response received in reply to the solicitation is responsive and acceptable. The decision of the City in this regard is final and any determination of non-responsiveness will be explained to the applicable Respondent(s) upon request. The general requirements are described in the following section.

RFP Requirements

The submittal requirements for the RFP are as follows:

- Eight (8) bound copies of the submittal not to exceed 45 pages each (pages printed front and back will constitute 2 pages). Pages must not exceed 11x 17 in size.
- One (1) electronic copy (PDF) of all submitted documents on a CD or USB Flash Drive.
- Submitted materials must be enclosed in a sealed envelope, clearly indicating the RFP Title and the name, telephone number and return address of the Respondent.
- Late submittals will not be considered under any circumstances. Late submittals properly identified will be returned to the Respondent.
- All responses must be delivered to the following address:

City of Charlotte
Neighborhood & Business Services
Economic Development Division
600 E Trade Street, Charlotte, NC 28202
Attn: Brad Richardson

RFP Submissions must include the following items:

- **Cover:** The cover should contain the RFP title, the Respondent's name and the submission date.
- **Transmittal Letter:** The transmittal letter should not exceed two pages and should contain:
 - Name, title and contact information of the individual or individuals with authority to bind the Respondent as well as the address and legal form of the Respondent. This person should also sign the transmittal letter.
 - Complete information that explains the relationship of the members of the Respondent and their respective roles and contributions.
 - A statement by the Respondent acknowledging receipt of the Request for Proposals in its entirety, inclusive of each and all appendices and addenda that the City may issue as part of this RFP.

- A statement that, if selected, the Respondent will negotiate in good faith with the City or its respective members, as appropriate.
 - A statement that the firm is not in arrears in the payment of any obligation due and owing to the State of North Carolina, Mecklenburg County or the City of Charlotte, including tax payments and employee benefits, and that it shall not become so during the term of the agreement if selected.
 - A statement that acknowledges the mandatory requirements stated below:
 - Respondents are advised that the City shall not be liable at any time for any costs associated with or related to the project(s) which are incurred by any Respondent during any phase of this RFP or its subsequent amendment or cancellation.
 - The City reserves the right, at its sole and absolute discretion, to reject any and all submissions received in response to this RFP and to cancel this RFP at any time, for any reason, prior to entering into any binding agreements. Responses to this RFP vest no legal or binding rights in the Respondent nor does it impose any legally binding obligations upon the City.
 - The City further reserves the right to request clarification of information provided in submissions as a response to this RFP without changing the terms of this RFP.
 - The City is a subdivision of the State of North Carolina and is, therefore, subject to the North Carolina Public Records Act (the "Act"), N.C. General Statute 132-1 et seq. As a result, any information provided to the City as part of this RFP is a public record under North Carolina law and may be released and disclosed by the City pursuant to the Act. In the event the City receives a request for disclosure of proprietary information which Respondent has specifically marked "Confidential" or "Trade Secret," the City will give the Respondent written notice of such request and Respondent shall provide a reasonable basis for contending that the disclosure of such confidential information is not required by the Act if Respondent objects to the release of the information.
 - A statement that the firm grants to the City a non-exclusive right to use, or cause others to use, the contents of its submission, or any part thereof, for any purpose.
- **References:** The Respondent shall provide a minimum of three and a maximum of five letters of reference for each firm or individual member of the Respondent. Letters of reference should provide sufficient information to evaluate past performance, ideally on those projects most similar to the proposed vision for the Property.
 - All references must include the company/organization, contact name, title, telephone number and email address for individuals that may provide information related to the capabilities of the Respondent and key team members. Current City of Charlotte officials and staff will not be acceptable as references.
 - **Participation Plan:** Respondents should identify the Small Business Enterprises, Minority Business Enterprises and Women-Owned Business Enterprises that will become part of the Respondent. Descriptions of each firm and its experience should be provided.

- **Development Plan:** Respondents should detail their development concepts, mix and scale of uses, and their anticipated phasing.
- **Approach:** Respondents are to submit a narrative summary of the approach for project implementation. This narrative should describe their approach and methods to ensure a project design that creates high-quality places, includes design excellence, is sensitive to adjacent neighborhoods, includes “green building”/LEED-Certified (Silver or higher) design and construction methods for the site and individual buildings, and is sensitive to the needs of special populations, such as the disabled.

Respondents should explain how they propose to integrate the physical, managerial and financial components to ensure the success of the Development Plan.

- **Financial Capacity:** Respondents should detail their ability to raise equity and identify additional capital sources, particularly for funding pre-development costs. In addition, the financing plan should include answers to the following questions:
 - Is the development entity or any principal owner in the proposed development involved in any litigation or disputes that could result in a financial settlement having a materially adverse effect on Respondent's financial condition? If yes, please explain.
 - Does the development entity or any principal owner in the proposed development have any off-balance sheet liabilities, such as corporate or personal loan guarantees? If yes, please provide details of these items.
 - Has the development entity or any principal owner in the proposed development ever filed for bankruptcy or had projects that have been foreclosed, or transferred to a creditor in lieu of foreclosure?
 - Has the development entity or any principal owner in the proposed development ever renegotiated or refinanced permanent project debt which resulted in a relaxation of either financial or other covenant, terms or conditions of the existing debt on the project? If yes, please list the dates and circumstances.
- **Financing Strategy:** The City seeks to maximize the potential for the redevelopment of the Property. In determining economic feasibility, Respondents may take into account all available non-City sources of financing (e.g., tax credits) or other private or federal assistance that may benefit the development. Respondents should provide:
 - A listing of all anticipated sources of construction and permanent financing with terms (e.g., interest rates, amortization type and period, required return on equity and internal rate of return, coverage ratios covenants, and other relevant information).
 - Detailed descriptions of which, if any, Federal or State government funding sources the Respondent intends to use for the development.
 - A statement that clearly specifies in tabular form each anticipated source of funds and the uses of those funds.
 - A detailed, fully functional and unlocked Microsoft Excel-based pro forma, inclusive of the following calculations: construction and other development costs, a detailed cash flow of revenues and expenses, return on cost and return on equity (leveraged and unleveraged), internal rate of return and any other project-

specific return metrics. The pro forma also should include a summary tab that captures and consolidates the calculations.

- **Development Implementation Timetable:** Respondents should identify and describe the development schedule in significant detail including a development process timetable and milestones through project completion and operation.

Evaluation Process and Criteria

The City will review all timely submittals to determine whether they are complete and responsive to the requirements of this RFP. Only submittals that are complete and responsive to all requirements of this RFP and that meet the minimum requirements identified in the section above will be evaluated during the selection process. The City may deem a submittal non-responsive and ineligible for consideration for any of the following reasons:

- The submittal does not include all categories of information specified in the previous sections of this RFP.
- The submitted project concept does not respond to the development objectives.
- The Respondent does not provide a deposit/letter of credit.
- The submittal is received after the deadline of **November 22, 2013** at 4:00 PM EST.
- The submittal includes information that is false or misleading.
- The submittal is transmitted by facsimile or electronic mail.
- The City will notify any Respondent whose submittal is deemed non-responsive via letter.

Evaluation Panel

The Submittals will be reviewed and evaluated by a panel consisting of representatives from the City, County and CRVA, and individuals with experience in real estate economics, land use planning and architecture/urban design.

City staff will contact references and review previous projects and current commitments. This information will be made available to the evaluation panel for consideration in its deliberations. The evaluation panel will review and rank submittals according to the evaluation criteria set forth below, taking into consideration all available information.

Evaluation Criteria

The criteria for selection of the Respondents will include the following:

1. EXPERIENCE (40 POINTS)

- Successful track record of developing complex, large-scale developments, including former retail centers and mall sites
- Proven ability to work with public agencies, particularly in a similar context, to achieve development desired by the public sector
- Proven ability to implement projects quickly, effectively, and on budget
- Experience with sustainable development within an urban context, including demonstrated use of innovative design and development practices to meet LEED standards or otherwise minimize environmental impacts of projects
- Demonstrated ability to partner with local organizations and/or address community concerns

2. CAPACITY (35 POINTS)

- Financial capacity to develop the Property and proven ability of Respondent to possess or attract equity and debt capital for a project of this type as evidenced by:
- Financing of comparable projects
- Financial status
- On-going relationships with financial sources
- Quality of financial plan and implementation strategy submitted
- Sufficient staff and consultant resources to meet the development objectives

3. VISION/CONCEPT (25 POINTS)

- Ability to meet the City of Charlotte's objectives for the Property with the Project Team and development vision submitted
- Compatibility of the City's goals with the proposed vision, approach, schedule, and conceptual financial structure
- Feasibility of respondent's approach to succeed in the near term
- Identified general users for the site