

**Item Title:** Approval of Funding Agreement for Town of Apex Pleasant Park Athletic Park Project

**Specific Action Requested:**

**That the Board of Commissioners approves a funding agreement in the amount of \$2,300,000 with the Town of Apex for Pleasant Park phases I and II, subject to the terms and conditions acceptable to the County Attorney and makes a formal determination that this expenditure is directly related to the construction of a sports, cultural, or arts facility and is an appropriate use of Hospitality Tax proceeds.**

**Item Summary:**

**Purpose:** The Interlocal Agreement between Wake County and the City of Raleigh authorizes Wake County to distribute certain funds that support convention, sports, cultural or arts related capital investment. The Board is asked to approve a funding agreement with the Town of Apex to provide \$2,300,000 in hospitality tax funds in support of phases I and II of the Town's Pleasant Park project.

**Background:** In October 2017, the Wake County Board of Commissioners authorized a competitive process to award up to \$3.6 million of Hospitality Tax Small Projects funds available to Wake County as a result of the Interlocal Agreements governing the Occupancy and Prepared Food and Beverage Tax Revenues. The Board of Commissioners received information regarding each project at their April and May 2018 Work Sessions. On May 21, 2018, the Board of Commissioners committed funding to five projects, including \$500,000 for the Town of Apex Pleasant Park Project Phase I.

In November 2022, the Wake County Board of Commissioners authorized a competitive process to award up to \$8 million of Hospitality Tax Small Projects funds. On April 17, 2023, the Board of Commissioners authorized a funding commitment to the Town in the amount of \$1,800,000 for capital costs related to the construction and development of Phase II of the Pleasant Park Project.

Funds from both funding commitments are held in reserve for reimbursement to Apex upon achievement of terms of the agreement, as authorized by the enabling legislation.

**Strategic Plan:** This action supports Inclusive Prosperity Goal 3: By 2029, nine out of ten residents asked will share that they can find and enjoy enriching experiences that support our community's high quality of life.

**Fiscal Impact:** Funding to support this request is available through the Major Facilities fund. This funding agreement is consistent with budgeted amounts.

**Additional Information:**

The Town of Apex is constructing a new 92-acre park near NC540 and Old US-1 to serve residents of the Apex community and attract visitors to Wake County. When complete, the park complex will feature multi-use, lighted, synthetic turf fields for youth and adult programming in soccer, lacrosse, football, baseball, softball, and ultimate frisbee, with outdoor courts for volleyball, basketball, tennis, and pickleball, event space, gardens, environmental education and play areas. The park also features the Town's first outdoor splash pad and a cross-country trail course, along with other innovative recreation elements. Multiple collaboration with area organizations have been established to ensure that everyone in the community and around the region will have the opportunity to benefit from this project.

Phase I of the project shall consist of six multiuse lighted, synthetic fields, four lighted tennis courts, six pickleball courts a field house and a large play installation. Phase II of the project shall consist of three lighted, synthetic adult baseball/softball field, one lighted, synthetic youth baseball/softball fields, 5k trail course, large shelter and one field house. The total estimated funding for the Park Project is over \$51 million. Through the FY2018 and FY2023 Hospitality Tax competitive funding processes, the Town of Apex received a commitment of \$500,000 to support Phase I and \$1,800,000 to support Phase II of the Pleasant Park Project. The Park Project qualifies as construction of sports, cultural, or arts facilities and is an appropriate use of Hospitality Tax proceeds. The Park is anticipated to enhance the quality of life for Wake residents and enhance tourism offerings for visitors to Wake County. The park activities will be managed by the Town.

Staff has worked with representatives for the project and has developed a funding agreement for Board approval. The key terms of the funding agreement include:

- Provides funding for construction of fields, buildings, and other park infrastructure.
- Funding to be provided upon receipt of satisfactory documentation of project completion and readiness for operation.
- Sets project completion date not to exceed December 2026.
- Establishes project performance goals to track local and out of county visitors and special events.
- Performance goals expire upon achievement of goals or seven years.
- Defines repayment schedule if facilities cease operation.

The Town of Apex approved the agreement at their June 11, 2024 Council meeting.

**Attachments:**

1. Funding Agreement