

FY2018 Hospitality Tax Small Capital Projects Funding Review Team Report



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FY2018 Hospitality Tax Small Capital Projects Funding Process

- 20th Amendment to Interlocal Agreements approved in 2016
 - \$2 million provided to Wake County each year for award to capital projects that support convention, arts, culture and sports
- Approximately \$3.5 million available from FY2017 and FY2018
- Anticipate recurring two-year funding cycle

Wake County Room Occupancy and Prepared Food and Beverage Operating Principles

- Consistent with enabling legislation
- Drive measurable visitation and positive return on investment
- Support existing facilities
- Long-term operating viability
- Project mix that considers location and type of use
- Enhance quality of life and economic development for visitors, newcomers and long-time residents
- Leverage partnerships
- Support long-term vision
- Consider emerging experiences and unmet needs

Evaluation Team


Wake County Staff

County Manager's Office (Lead)
Budget and Evaluation
Facilities, Design and Construction
Community Services (Parks & Libraries)

Community Representatives

Greater Raleigh Convention and Visitors
Bureau
United Arts Council
Wake County Hospitality Alliance
Wake County Municipality

Process Timeline

- 
- October 2, 2017 Board approved process
 - October 9, 2017 RFP released
 - November 3, 2017 Pre-submittal meeting
 - February 8, 2018 Submittals due
 - February/March 2018 Evaluation team reviewed submittals and received presentations
 - April 9, 2018 Projects presented at BOC Work Session
 - May 21, 2018 BOC Decision

Minimum Criteria

- Project fully located in Wake County
- Consistent with statutory uses of revenues
- Capital in nature (minimum value of \$100,000)
- Maximum County funding of 35% of total project cost
- Request shall not exceed \$1,500,000 per project

9 Proposals Reviewed

	Requester	Project Name	Total Project Cost	Request
1	Capital SportsPlex	Capital SportsPlex	\$ 12,000,000	\$ 1,500,000
2	Friends of Museum of Natural Sciences	Dueling Dinosaurs Exhibit	\$ 7,696,716	\$ 1,500,000
3	NC Symphony	Meymandi Concert Hall Acoustical Canopy	\$ 558,000	\$ 195,300
4	Town of Apex	Pleasant Park	\$ 16,550,918	\$ 1,500,000
5	Town of Cary	Koka Booth and Soccer Park Project	\$ 2,100,000	\$ 735,000
6	Town of Fuquay Varina	Fuquay Mineral Spring Park Amphitheatre Project	\$ 350,000	\$ 85,000
7	Town of Knightdale	Forestville Road Athletic Park Proposal	\$ 7,460,000	\$ 1,500,000
8	Triangle Aquatic Center	Aquatic Center Improvements	\$ 8,743,160	\$ 1,500,000
9	Triangle Racquet Sports, LLC	Racquet Sports Campus	\$ 23,000,000	\$ 1,500,000
		Total	\$ 78,458,794	\$10,015,300

Review Process

- Proposals reviewed by each team member
- Each proposer presented project to review team and responded to team questions
- Team members then developed individual scores for each project
- Team developed consensus score for each project

Proposal Scoring

Category	Maximum Point Value
Project Overview and Objectives	15 points
Project Budget and Funding Sources	20 points
Project Timeline	15 points
Project Operating Plan	20 points
Project Visitor Estimates, Return on Investment and Performance Targets	20 points
Organizational Information	10 points

9 Projects Scored

	Requester	Project Name	Consensus Score
1	Friends of Museum of Natural Sciences	Dueling Dinosaurs Exhibit	93
2	Triangle Aquatic Center	Aquatic Center Improvements	93
3	Town of Knightdale	Forestville Road Athletic Park Proposal	87
4	Town of Cary	Koka Booth and Soccer Park Project	82
5	Town of Apex	Pleasant Park	77
6	NC Symphony	Meymandi Concert Hall Acoustical Canopy	75
7	Triangle Racquet Sports, LLC	Racquet Sports Campus	72
8	Town of Fuquay Varina	Fuquay Mineral Spring Park Amphitheatre Project	51
9	Capital SportsPlex	Capital SportsPlex	40

Projects Recommended for Funding

	Requester	Project Name	Total Project Cost	Funding Request	Consensus Score	Recommended Funding
Tier 1 – Projects Funded at Maximum Eligibility						
1	Friends of Museum of Natural Sciences	Dueling Dinosaurs Exhibit	\$ 7,696,716	\$ 1,500,000 (Eligible for \$500,000)	93	\$ 500,000
2	Triangle Aquatic Center	Aquatic Center Improvements	\$ 8,743,160	\$ 1,500,000	93	\$ 1,500,000
Tier 2 – Projects Funded at 2/3 of Maximum Eligibility						
3	Town of Knightdale	Forestville Road Athletic Park Proposal	\$ 7,460,000	\$ 1,500,000	87	\$ 1,000,000
4	Town of Cary	Koka Booth and Soccer Park Project	\$ 2,100,000	\$ 735,000	82	\$ 490,000

Friends of Museum of Natural Sciences

Project Highlights:

- Remodel existing Nature Research Center at the current museum to accommodate Dueling Dinosaur exhibit and working laboratory
- Dueling Dinosaurs are fossils of complete skeletons of Tyrannosaurus Rex and Triceratops
- Funding request to support acquisition of fossils and construction and upfitting for laboratory.
 - Determined that acquisition of fossils not able to be funded with hospitality taxes



Friends of Museum of Natural Sciences

Project Cost:	\$7.7 M Total \$6 M fossil acquisition \$1.7 M lab construction
Request:	\$1.5M (determined to be eligible for \$500,000)
Location:	Downtown Raleigh
Need:	Museum is public with no admission fee; all capital and operating funds must be raised
Timeline:	Complete September 2019
Visitor Estimates:	Wake County: 173,614 Day:175,831 Overnight: 84,659
Organization:	State of North Carolina Museum and Friends of Museum
Total Score:	93



Triangle Aquatic Center

Project Highlights:

- Non-profit aquatic facility with 10-year history
- Expand existing facility:
 - Replace lost event parking
 - Expand spectator stadium
 - Add administration and maintenance facilities
 - Add a 50-meter outdoor pool

Spectator Stadium Expansion Rendering



Triangle Aquatic Center

Project Cost:	\$8.7 M Total
Request:	\$1.5 M
Location:	Cary
Need:	Current facilities operating at maximum capacity; expansion could accommodate additional events; non profit with funding from foundation and bank loan
Timeline:	Complete 2019 (Outdoor pool requires rezoning – could impact timeline)
Visitor Estimates:	Wake County: 98,599 Day:19,413 Overnight: 95,704
Organization:	501 c(3) operating facility since 2007
Total Score:	93



Town of Knightdale

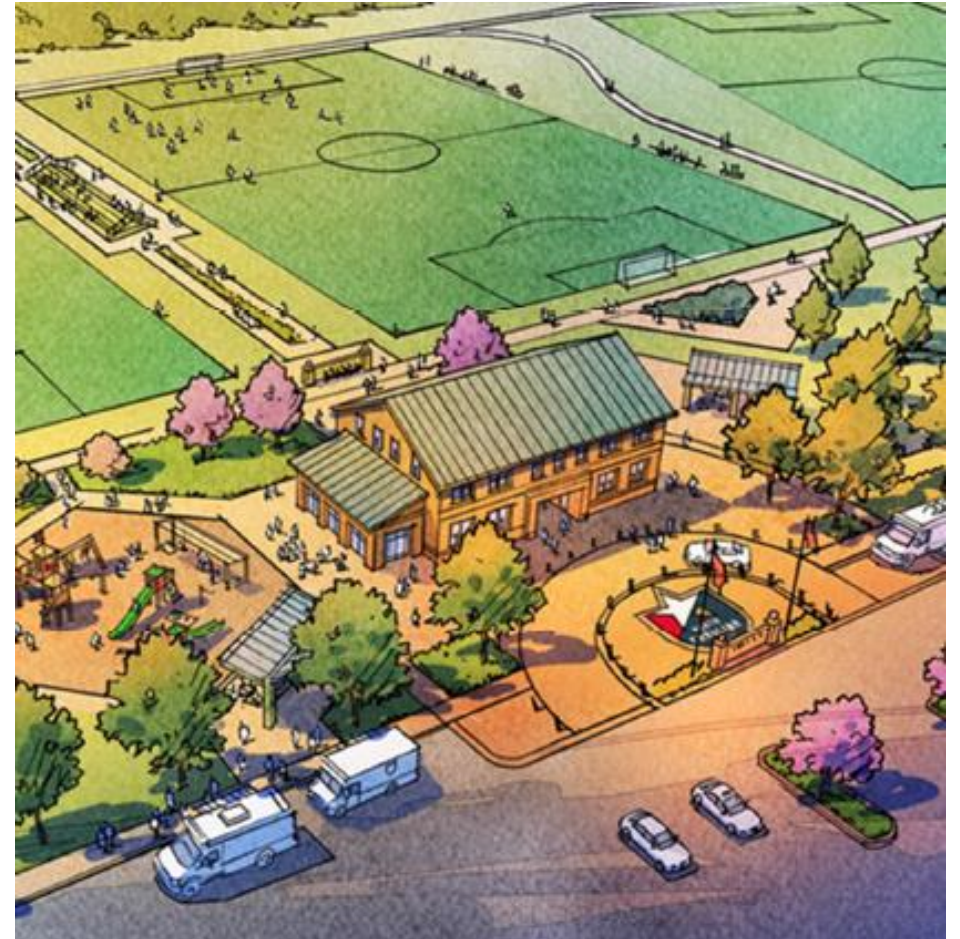
Project Highlights:

- Forestville Road Athletic Park
 - Partnership with NCFC for Phase I; five full-size athletic fields to accommodate soccer practice, games and tournaments
 - Land and fill donated by Wake Stone



Town of Knightdale

Project Cost:	\$7.46 M Total
Request:	\$1.5 M
Location:	Knightdale
Need:	Insufficient supply of soccer fields for NCFC club practice, games and tournaments; land and fill donated; funding from NCFC and Town for Phase I of project
Timeline:	Complete Spring 2020
Visitor Estimates:	Wake County: 188,400 Day: 29,100 Overnight: 43,500
Organization:	Municipal ownership; management by large, established soccer club (14,000 youth players)
Total Score:	87



Town of Cary

Project Highlights:

- WakeMed Soccer Park Lighting
 - Replace existing stadium lights with LED to continue attracting large events and improve televised events
- Koka Booth Sound and Lighting Improvements
 - Replace existing sound and lighting system to continue to attract over 230,000 visitors to facility



Town of Cary

Project Cost:	\$2.1 M Total
Request:	\$735k
Location:	Cary
Need:	Lighting systems at stadium and amphitheater and sound system at amphitheater outdated to meet current needs; Town funded
Timeline:	Complete Spring 2020
Visitor Estimates:	Wake County: 248,879 Day:62,495 Overnight: 55,000
Organization:	Municipal ownership and management of facilities since 2002 and 2001
Total Score:	82



Town of Apex

Project Highlights:

- Pleasant Park 92 acre multi-sport outdoor athletic complex
 - Supported by Parks Bonds approved by Apex Voters
 - Phase I - 6 turf/lighted multipurpose fields, tennis and pickleball courts, splashpark and park amenities



Town of Apex

Project Cost:	\$16.5 M Phase I
Request:	\$1.5M
Location:	Apex
Need:	Existing facilities at capacity with waiting lists to participate in athletic programs; fields primarily for soccer, lacrosse and football; Funding from Town, CDBG and sponsorships
Timeline:	Complete Feb 2020
Visitor Estimates:	Wake County: 141,200 Day:39,450 Overnight: 8,200
Organization:	Municipal ownership and management of facilities
Total Score:	77



NC Symphony

Project Highlights:

- Install acoustical canopy in Meymandi Concert Hall at Duke Energy Center for Performing Arts
 - Improves precision of musical experience by performers and audience



NC Symphony

Project Cost:	\$558K
Request:	\$195,300
Location:	Downtown Raleigh
Need:	Existing facility constructed without acoustical ceiling; Open since 2001; Funding from City and private fundraising
Timeline:	Complete Sept 2018
Visitor Estimates:	Wake County and Day: 69,720 Overnight: 13,280
Organization:	Municipal ownership and management of facilities; fundraising and ongoing operating costs from NC Symphony
Total Score:	75



Triangle Racquet Sports

Project Highlights:

- Develop 50+ racquet court facility with 2,500 seat stadium court
 - 32 clay courts, 6 indoor courts and 5 covered courts, squash and pickleball courts
- Includes family zone, on-site retail, fitness, nutrition, physical therapy
- Open to public for daily use or memberships



Triangle Racquet Sports

Project Cost:	\$25M
Request:	\$1.5M
Location:	North Raleigh(Brier Creek)
Need:	Demand for racquet sports exceeds supply; expand center court stadium from 750 seats to 2,500 seats to enhance draw of significant events; funding from City owned land, investors, members, USTA, bank loan, sponsorships
Timeline:	Complete March 2020
Visitor Estimates:	Wake County: 91,250 Day:6,063 Overnight: 10,828
Organization:	Municipal ownership of land w/long term lease; development and management of facilities by LLC start-up venture since 2017
Total Score:	72



WAKE COUNTY

Town of Fuquay Varina

Project Highlights:

- Fuquay Mineral Spring Park Amphitheater Project
 - Construct 300-seat outdoor amphitheater on town-owned park with historic significance in downtown Fuquay
 - Includes covered stage, electricity and restrooms



Town of Fuquay Varina

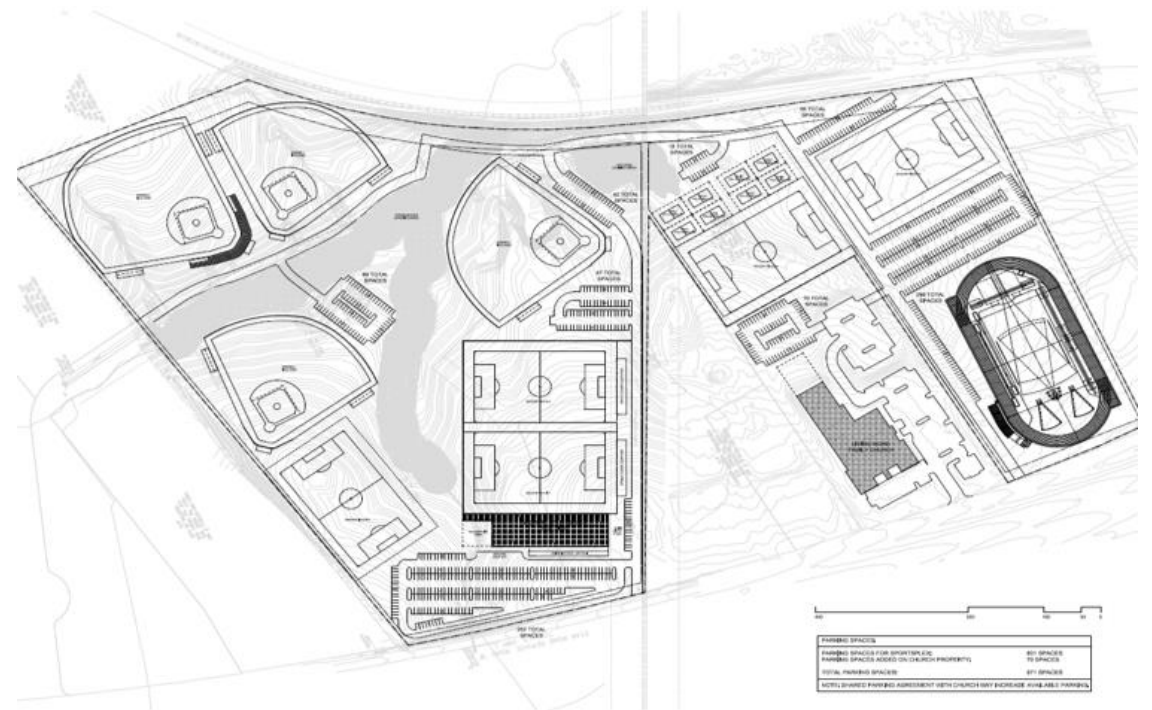
Project Cost:	\$350k
Request:	\$85k
Location:	Fuquay Varina
Need:	Provide outdoor recreation and live entertainment venue; funding from Town and sponsorships/naming rights
Timeline:	Complete September 2019
Visitor Estimates:	Wake County: 11,900 Day: 7,400 Overnight: 9,600
Organization:	Municipal ownership of land and management of facility
Total Score:	51



Capital SportsPlex

Project Highlights:

- 58-acre outdoor and indoor multi-sport complex for basketball, baseball, football, lacrosse, soccer, track and field, swimming and wrestling
 - 5 Baseball Fields, 5 Soccer fields, 10 Basketball courts, 15 Volleyball Courts, Aquatic Center/3 Pools, 400 Meter Outdoor Track, 200 Meter Indoor Track
- Includes child care facility, classrooms, café, physical therapy



Capital SportsPlex

Project Cost:	\$12M
Request:	\$1.5M
Location:	Wake Forest
Need:	Provide indoor/outdoor sports facilities for use by area clubs; funding from bank loans and investors
Timeline:	Complete September 2019
Visitor Estimates:	Wake County: 45,375 Day:272,750 Overnight: 136,125
Organization:	Private ownership of land (under contract) and management of facility
Total Score:	40



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In Summary:

- Competitive process to award \$3.5 million yielded 9 projects with total request of \$10 million
- Review team evaluated and scored projects
- Staff recommends funding for 4 projects totaling \$3.49 million

Next Steps:

- Questions/feedback from Board
- Board vote on funding Commitments – May 21, 2018