

Multipurpose Indoor Sports Complex City/County RFP



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Multipurpose Indoor Sports Complex

- Minimum 150,000 sqft multi-use indoor sports complex to host youth and amateur events and tournaments
- Recommended in 2018 Destination Strategic Plan
- Included in 21st Amendment
 - Provides up to \$2.36 million annual funding for 25-years
 - Leverages approximately \$35 million in debt
- Competitive process jointly conducted by City and County – led by County

Process

Timeline

- October 14/15, 2019 BOC/RCC briefed on process
- October 23, 2019 RFP Released
- November 14, 2019 Pre-submittal Meeting
- January 16, 2020 Submittals due
- January 23/24, 2020 Presentations to Evaluation Team
- **February 10/ 11, 2020 Recommendations Presented BOC/RCC**
- **February 17/18, 2020 BOC and RCC Decisions**

Evaluation Team

Wake County Staff

County Manager's
Office (Lead)
Budget/Finance
Facilities, Design and
Construction

City of Raleigh Staff

Budget/Finance
Special Events
Convention Center

Community

Greater Raleigh
Convention and
Visitors Bureau
Wake County
Hospitality Alliance
Wake County
Municipality

Minimum Criteria

- Project fully located in Wake County
- Consistent with statutory uses of revenues
- Minimum value of \$50,000,000
- Maximum hospitality tax funding of 45% of total project cost
- Request shall not exceed annual payment of \$2.36 million for up to 25 years
- Minimum of 150,000 square feet
- Minimum of 12 courts
- Seat minimum of 4,000 spectators
- Capable of accommodating e-sports competitions
- Ballroom and multi-purpose meeting rooms for event support
- Four full-size locker rooms with showers

Proposal Requirements

Overview & Objectives

- Project concept and approach
- Alignment with Operating Principles and Destination Strategic Plan

Operating Plan

- Long-term viability
- Management of operation
- Marketing plan
- Financial statements

Budget & Funding

- Project cost
- Funding sources
- Funding commitments
- Expenditure plan

Visitor Estimates

- Local, day and overnight
- Return on investment
- Performance targets

Timeline

- Total timeliness
- Project readiness
- Start construction in 2 years
- Completion in 3 ½ years

Organization

- Organization structure and leadership
- Prior experience
- Letters of support

Proposal Received by Town of Cary



Cary Proposal

- Proposing \$193M project
- Site location: Cary Towne Center Mall area
- Includes:
 - ✓ 12 full-size basketball courts (convertible to 20 volleyball courts)
 - ✓ Arena seating for 4,000
 - ✓ 25,000 multi-purpose space
 - ✓ E-sports amenities
 - ✓ 4 full-size locker rooms
 - ✓ Full-service restaurant
 - ✓ Dedicated box office/ticketing and facility operations space
 - ✓ Child care space
 - ✓ Weight room/workout facilities/walking track



Cary Proposal

- Project will be built, operated and managed by Town
- Financing planned through limited obligation bonds
- Town will seek corporate partners
- Designed to meet needs of local residents and tourism markets
- Initial pro forma projects operating deficit that will be covered by the Town
- Will include 25-year maintenance planning from outset with full responsibility for maintenance and periodic renovation



Evaluation Team Recommendation

- Evaluation Team project score = 79
- Recommends City and County commit funding of up to \$2.36m per year for 25-years for Town of Cary Project



Next Steps

- Monday, February 17 - Board of Commissioners meeting
- Tuesday, February 18 – Raleigh City Council meeting
- If approved by both elected Boards, work with the Town over the next several months to further solidify development plan then bring back Funding Agreement for approval by the Town, City of Raleigh and Wake County

Upcoming Competitive Processes

- Medium Projects
 - Competitive process jointly conducted by City and County
 - Provides up to \$46.6 million between FY20 and FY26 for capital projects greater than \$20 Million
 - RFP released December 4, 2019
 - Responses due February 13, 2020
- Small Projects
 - Anticipate beginning process May 2020 with decisions by Board of Commissioners around September 2020