

MANDATORY REFERRAL REPORT NO. 14-04
Proposed Acquisition of EconoLodge Property on Independence Blvd.

PROJECT PROPOSAL AND LOCATION:

This project involves the acquisition of the EconoLodge (6.84 acres), PID 159-027-02 located at 3014 E. Independence Boulevard in the City of Charlotte.

The City owns 20.32 acres of land along E. Independence Boulevard that includes the Bojangles' Coliseum and Ovens Auditorium complex. The city plans to acquire additional land surrounding the complex to facilitate a comprehensive site redevelopment for amateur sports-related uses. The redevelopment will include an indoor sports and recreation facility of at least 100,000 square feet, a 150-room hotel and associated office and retail space. The Bojangles' Coliseum and Ovens Auditorium facilities and structures will remain as part of the redevelopment plan.

The property proposed for acquisition is zoned B-2 (General Business) under the City of Charlotte's Zoning Ordinance, with roadway frontage on Independence Boulevard. After taking ownership of the property, the seller proposes to lease the premises for up to 12 months to terminate the hotel operations. After hotel operations cease, the existing structure will be demolished and the property will be used to support implementation of the comprehensive redevelopment plan.

- In June 2013 City Council approved the \$816 million Community Investment Plan that includes \$25 million for the Bojangles' Coliseum and Ovens Auditorium Redevelopment plan.
- On October 18, 2013, the City issued a Request for Proposals to invite private sector interest in developing additional amateur sports-related facilities adjacent to the Bojangles' Coliseum and Ovens Auditorium.
- The objective is to develop an indoor sports and recreation facility to meet growing market demand and position Charlotte as a top-tier destination for amateur sports-related travel.
- The Request for Proposals was developed in partnership with the Charlotte Regional Visitors Authority and Mecklenburg County. It requested interested parties to consider a development plan that includes a new indoor sport and recreation facility, a 150-room hotel and ancillary retail space.
- On November 22, 2013, the City received one proposal from GoodSports Global Enterprises, LLC, a Florida-based development, construction and management company specializing in hotels and sports recreation facilities.

PROJECT JUSTIFICATION:

Implementation of the plan will achieve the following objectives:

- Provide an indoor sports and recreation facility and associated amenities to meet market demand.
- Develop a financially viable, phased development using private-sector funding 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.

CONSISTENCY WITH ADOPTED PUBLIC POLICIES:

This proposed acquisition supports the City's goals within the FY14 –FY18 Community Investment Plan adopted by City Council on June 10, 2013, which specifically recommends funding to support comprehensive redevelopment of the Bojangles'/Ovens Auditorium area.

CONSISTENCY WITH ADOPTED LAND USE PLANS:

The *Independence Boulevard Area Plan* (2011) identifies this area as a Transit/Regional Node to accommodate a future rapid transit station and significant regional land uses with destinations such as Ovens Auditorium, Bojangle's Coliseum and The Park (*formerly known as Merchandise Mart*). The *Plan* recommends that the Transit/Regional Node develop with a mix of pedestrian-oriented retail, office, residential and/or institutional uses. Additionally, the *Plan* envisions combining parcels to supplement parking demands of the entertainment venues by facilitating shared parking arrangements which will lower the overall land area devoted to parking.

Acquisition of this parcel is consistent with City Council adopted land use policy for the area as stated within the *Independence Boulevard Area Plan* (2011).

PROJECT IMPACT:

Acquisition of this property will enable the City to expand the existing Bojangles' Coliseum and Ovens Auditorium complex which is identified as a catalyst development site within the *Independence Boulevard Area Plan*. This proposal will assist with an implementation strategy within the Plan to create re-investment within the Independence Boulevard corridor and provide the opportunity for a mixture of land uses to support the existing businesses and residents within the area.

RELATIONSHIP TO OTHER PUBLIC OR PRIVATE PROJECTS:

This property will be utilized to support the comprehensive redevelopment plan for the Bojangles' Coliseum and Owens Auditorium. It does not affect any other known public or private projects in this area.

ESTIMATED PROJECT COMPLETION DATE:

Redevelopment is expected to begin in early 2015. The hotel will be leased by the seller for up to 12 months after purchase by the City.

JOINT USE TASK FORCE REVIEW COMMENTS:

The Joint Use Task Force discussed this matter at their January 7 meeting and there were no comments.

PLANNING STAFF RECOMMENDATION:

Staff recommends approval of the proposed acquisition.

CMPC PLANNING COMMITTEE RECOMMENDATION:

At their January 21, 2014 meeting, the Planning Committee recommended approval by a 5-0 vote.

