

Forward High Point Master Developer Request For Qualifications High Point, N.C. Multi-Purpose Stadium Site Development

Community Overview

High Point, North Carolina is a globally-connected community, known as North Carolina's International City™ and Home Furnishings Capital of the World™. Twice each year, the city hosts the High Point Market, the world's largest home furnishings trade show. High Point is located alongside Greensboro and Winston-Salem in the Piedmont Triad region of North Carolina, the nation's 37th largest metro area with a population exceeding 1.6 million. High Point's population in 2017 was estimated to be 112,201 residents.

High Point is also home to High Point University whose student population is quickly approaching 5,000. The University has invested \$1.7 billion on the campus which is in close proximity to Downtown High Point.

High Point is a “gig city” having Internet connections that are amazingly fast – up to one gigabit per second. The city is accessible via five Interstate highways, four of which are in High Point – I-40, I-73, I-74, and I-85. Piedmont Triad International Airport (GSO) is located less than a mile from the High Point city limits, and two other airports are within a 75-minute drive – Charlotte Douglas International Airport (CLT) and Raleigh-Durham International Airport (RDU).

Downtown High Point has a total of 12 million square feet in the downtown dedicated to the Furniture Market. While some traditional downtown uses remain, a majority of the property has transitioned into furniture showroom space that is only active two weeks per year. The City is committed to redevelop/create an active downtown in areas north of the furniture showroom-dominated former downtown.

Project Overview

In 2015, the idea for a multi-use stadium was mentioned at a High Point Convention and Visitors Bureau retreat. A study was commissioned with Convention Sports and Leisure (CS). The study considered feasibility for a new stadium for the Coastal Plains League team currently located in Thomasville, the Hi-Toms. Publicity from the study generated interest from the Atlantic League, a larger independent baseball league. In March of 2016 the High Point City Council adopted a goal to create a downtown catalyst project that produces: 500 private sector jobs, 15-20 new restaurants and shops, 250 additional residential housing units and a centralized gathering space. Shortly thereafter, the CS&L study was retooled to reflect the possibility of an Atlantic League team as a tenant. City Council was briefed on the project on March 22, 2017 in closed session. The Atlantic League has met with members of a possible local ownership group, and on March 30, 2017 the League approved High Point as a location for a team pending the formation and vetting of the ownership group and a commitment from the City to build a stadium. Forward High Point, our non-profit downtown development corporation, continued to option land for the stadium at the preferred site, and on April 3, 2017 the project was presented publicly to City Council and Council voted to:

- Approve a Budget Amendment for use of reserves and internal loans to proceed with land purchases, site design and Multi-Use Stadium design with a total cost not to exceed \$15 million



- Authorize the City Manager to proceed with land purchases, site design and Multi-Use Stadium design with a total cost not to exceed \$15 million
- Authorize the City Manager to proceed with development of the Multi-Use Stadium financing plan
- Authorize the City Manager to develop an agreement with Forward High Point regarding their coordination of design and private development for the site
- Authorize Forward High Point to finalize team ownership and naming rights for the Multi-Use Stadium
- Authorize the City Manager to seek County participation regarding increased tax base

The City of High Point has asked Forward High Point to coordinate design and private development for the site, and Forward High Point is seeking qualifications from a Master Developer. The downtown currently suffers from inactivity during non-furniture market periods. The preferred developer will create and implement a vision to develop the roughly five acres around the Stadium with mixed-use development that includes first floor restaurant/retail and upper floor housing and brings vitality to the downtown.

Forward High Point sought the assistance of Dr. Nido Qubein to assist in the effort to secure team ownership and naming rights for the stadium. On Wednesday May 18, 2017, Dr. Qubein answered the call to assist in resounding fashion stating that he would assemble the ownership group to purchase an Atlantic League baseball team for the stadium and assist with procuring a naming rights contract for the stadium as requested. Qubein's announcement includes the long term naming rights, team ownership and in addition, plans to build a park, children's museum, children's educational cinema and event center in proximity to the Downtown Multi -Purpose Stadium for a total of \$38,000,000. Qubein went on to explain those funding commitments would be raised before September 15, 2017 and a not-for-profit will own the team and oversee the development of the other community amenities that will be constructed through private donations.

Multi-Purpose Stadium Site Development Team

The Master Developer will be expected to work with a Multi-Purpose Stadium Site Development Team which will consist of two members from Forward High Point, two members from the City and two members from the Team Ownership group.

Site

Odell & Associates has been hired by the City to provide a preliminary site plan aimed at allowing the City, Forward High Point and team owners to consider options for stadium location before land acquisition is completed. The proposed site is around 11 acres and is shown in red on the following diagram. Forward High Point has control of approximately 80% of the site, all of which will be purchased by the City. Negotiations on the final parcels are in process. The final site plan will be developed by the selected Master Developer in conjunction with the Multi-Purpose Stadium Site Development Team.



Conceptual Site Plan



Legend

1. Ball Park
2. Parking / Parking Deck
3. Retail / Restaurant / Multi-family
4. Ballpark Program Area
5. Plaza / Ballpark Entrance
6. Green Space
7. Home Run Porch
8. Club (2nd Level)
9. Showrooms
10. Berm Seating
11. Church Street Linear Park

Proposed Tabulations

Residential Units: 556
Retail / Restaurants: 12,800 SF
Showroom: 65,000 SF
Surface Parking: 48 Spaces
Parking Garage: 1050 Spaces





The final site plan must be densely developed with mixed use buildings that include first floor restaurants, multiple floors of upper level housing, retail, etc.

Stadium and Team

The Stadium will be constructed through a design build contract and the RFQ for the construction is in progress. The Building program and costs are as follows:

BUILDING PROGRAM AND COST ESTIMATE	
High Point Multi-Purpose Stadium: Atlantic League	
Seating Capacity:	
Fixed Seats	3,739
Premium Seating	246
Picnic Area	250
Grass Berm	750
Total Capacity	4,985
Premium Seating:	
Club Seats	150
Luxury Suites	8
Seats Per Suite	12
Total Premium Seats	246
Ballpark Opinion of Cost	
	\$21,754,598
General conditions	\$975,000
Stadium build contingency (5%)	\$1,087,730
Fees/bonds/insurance (5.5%)	\$1,196,503
Total Ballpark Opinion of Cost	\$25,013,831
Escalation to 9/17 construction start (4%)	\$1,000,553
Owner contingencies (5%)	\$1,250,692
Other FF&E (2%)	\$500,277
Soft costs (10%)	\$2,501,383
Total Project Cost	\$30,266,735
Cost Per Fixed Seat	\$8,095

Utilization assumptions for the facility are as follows:

Estimated Utilization: Atlantic League Tenant High Point Multi-Purpose Stadium			
Type	Number of Events	Average Paid Attendance	Annual Paid Attendance
Atlantic League Tenant	70	2,500	175,000
Other Events			
College Baseball	5	1,000	5,000
High School Football	14	500	7,000
High School Baseball	5	500	2,500
Concerts	3	2,500	7,500
High Point Market Events	8	500	4,000
Festivals/Celebrations	4	750	3,000
Meetings/Banquets	25	40	1,000
Other	10	250	2,500
Total Other Events	74		32,500
TOTAL	144		207,500

Note: Meetings/Banquets would not be charged a ticket fee.

Further detail from the CS&L study is available. The utilization is based on a capture area of 230,000± south of the middle of High Point. Average attendance in the Atlantic League is 4,184. The lowest average attendance among the Atlantic League teams is 2,916, and as shown above our Atlantic League attendance assumptions are an average of 2,500.

Market Studies

Forward High Point has contracted with Danter & Associates for residential market study with an expected delivery date of August 1. The nearby hospital as well as graduate programs at HPU (now at a few hundred students but anticipated to be at 1,000 in the next several years) offer great opportunity for partnerships as the University has already stated that it will not build on-campus housing for those students. ElectriCities (High Point is a member of the Electric Co-op and provides electricity within the City) has contracted with Shamrock Capital, LLC for a hotel study that is anticipated to have a similar delivery date.

Project Timeline

RFQ Issued May 26, 2017

RFQ Responses Due June 30, 2017

Developer Interviews July 10-17, 2017

Developer Selection July 18, 2017

Pre-Development Process July 24 – August 24, 2017

Development Agreement August 25-September 8, 2017

Developer Agreement to City Council September 18, 2017

Developer Qualifications

Developers should have demonstrated experience delivering complex mixed-use projects involving multiple projects/developers in an urban context. They should demonstrate experience working on sites of a similar scale to the High Point, N.C. Multi-Purpose Stadium Site Development. The selected developer (or development team) shall lead the detailed design of a master plan document in a Pre-Development Process in collaboration with the Multi-Purpose Stadium Site Development Team (City, Forward High Point, Atlantic League Team Owners)

During this Pre-Development Process period, the selected developer(s) will have an exclusive right to plan and negotiate development strategies with the members of the Multi-Purpose Stadium Site Development Team. The master plan should include phased infrastructure plans as well as an overall implementation strategy based on economic development goals balanced with market demand. During the Pre-Development Process, the selected developer(s) will work with the Multi-Purpose Stadium Site Development Team to advance opportunities presented in the development portfolio as part of a comprehensive master plan. The developer(s) will be responsible for economic analyses, the development of a business and financing plan and an overall assessment of project costs. At the conclusion of the Pre-Development Process, the developer(s) will present the recommended master plan to the Multi-Purpose Stadium Site Development Team for approval. The Multi-Purpose Stadium Site Development Team will then assist the developer(s) in communicating the master plan to the governing boards of key development partners including the City of High Point, High Point University, and key businesses and property owners. Following approval of the master plan by the constituent members of the Multi-Purpose Stadium Site Development Team, the selected developer(s) and the Multi-Purpose Stadium Site Development Team will create one or more development agreements to guide the implementation of the master plan. The developer will be responsible for obtaining financing for construction of infrastructure and other development costs, as well as other financing mechanisms such as New Markets Tax Credits. The selected developer will market and manage the project and will coordinate and/or perform development and construction of public and private elements over the course of the project's build-out, as provided in the approved development agreement(s).

Response must be received by 5:00 p.m. on June 30. Responses received after the deadline will not be accepted. It is neither the Forward High Point's responsibility nor practice to acknowledge receipt of any proposal. It is the prospective developer's responsibility to assure that a proposal is received in a timely manner.

Each respondent should submit one (1) full electronic copy and seven (7) copies of their submission in 8.5" x 11" format (11" x 17" pages may be folded). Total submission must not exceed sixty (60) pages. The original and all copies must be clearly labeled, containing respondent's contact information. All costs associated with the submittal requirements are at the sole responsibility of the respondents.



Submittal Contents

The Multi-Purpose Stadium Site Development Team is committed to transparent and informed public-private partnerships. Qualified developers are those that share this commitment and are willing to provide the necessary due diligence documentation for the Multi-Purpose Stadium Site Development Team to fully evaluate the qualifications, capacity and experience of the development team, as well as to undertake the necessary negotiations in connection with the developer. As such, all respondents shall issue the following documentation, in the following order:

1. Table of Contents

2. Corporate Entity (Tab A)

- All formation documents of the developer entity, including the formation documents, the operating agreement, shareholder agreement, or partnership agreement, as applicable, and a current certificate of good standing
- The name, business address and (as applicable) ownership percentage of each of the current members and officers of the developer entity
- The name and business address of any entity which is currently a manager or director of the developer entity
- A brief narrative history of the developer or development team should be provided. The history should include:
 - Identify the project manager and other members of the proposed development team (if known at this time) such as engineer, architect, etc.
 - Reasons why the developer or development team is qualified and unique capabilities which distinguish the team or developer
 - Description of core business activities
 - Number of years in business
 - Number of full-time employees
 - Supplemental materials, such as company brochures, etc.
 - List of any commercial properties or development sites in the Southeast region currently owned or controlled by the developer
- If the firm responding to the RFQ intends to include other firms or professionals as part of their team, please identify these team members and highlight relevant experience

3. Financial Capacity (Tab B)

- Respondents should provide the information listed below to demonstrate the financial capacity to undertake and complete the development proposed. Respondents should include the following information which shall be used solely by the Multi-Purpose Stadium Site Development Team for purposes of evaluation under this RFQ and will be treated as confidential to the extent allowed by law
 - Most recent annual report(s)
 - List of any current non-performing loans or loan defaults in the last five years
 - Description of instances in which a member of the development team has been involved in litigation or other legal dispute regarding a real estate venture during the past five years

- Information about instances in which any member of the developer's team has ever filed bankruptcy, or any projects that have been lost to foreclosure
 - Provide a statement as to whether the respondent or any officer, principal or principal employee has been adjudged bankrupt either voluntary or involuntary, or has been convicted of a felony in either case, within the last ten (10) years
 - Past history of raising capital and working with complex public financing instruments
 - Composition of real estate portfolio by type and occupancy percentage
- Auditor-prepared financial statements will be required prior to the execution of any Development Agreement

4. Experience (Tab C)

- Similar projects (no more than four [4]) - Please provide a description and data on similar development projects completed or in process by the developer within the last ten (10) years. Include:
 - Project names, location and type of real estate product
 - Description of the real estate product, its qualities and amenities
 - Current status of the project (construction status or number of years since completion)
 - Photos, drawings, site plans and related marketing materials of the project
 - Development cost and financing summary
 - Primary sources of equity and debt
- Specifically address:
 - Experience with large, master planned, mixed-use urban development projects, including planning, design, financing, collaboration with other developers, master developer roles (if applicable), construction management and administration
 - Experience in negotiating and implementing significant development agreements with municipalities or other public sector entities
 - Development experience in association with colleges or universities
 - Experience with the use of New Markets Tax Credits and other applicable tax credits and
 - Past development experience
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- References within each of the following categories. Please provide complete contact information for individuals who can provide information related to the following items:
 - Public or Government: Identify at least two (2) redevelopment agency, county, city, or other public officials who have been involved with a project completed by the developer or development team
 - Financial Partner/Investor/Lender: Identify at least two (2) contacts that have provided members of the development team with debt or equity financing of the magnitude likely to be required for the proposed project
 - General: Provide contact information for at least two (2) other individuals that can provide information about the experience and capabilities of the developer for a project of this magnitude
- Resumes of key staff that will be involved in this project

5. Vision, Interest, Plan of Attack (Tab D)

- Prospective developers are asked to share their initial vision for the further development of the Multi-Purpose Stadium Site. Respondents should provide a narrative demonstrating their understanding of the Multi-Purpose Stadium Site Development Team vision, the participants and their vision for the Multi-Purpose Stadium Sites ultimate build-out. The narrative should demonstrate familiarity with existing conditions and prior studies related to the downtown and the community. The vision statement should identify key challenges and opportunities anticipated by the developer, and explain how these may impact the Multi-Purpose Stadium Site implementation. The vision statement should also identify creative ideas and innovative approaches to the development of the Multi-Purpose Stadium Site that the developers and its team would propose and specific expertise they would deploy to successfully realize the Multi-Purpose Stadium Development project.
- Specifically address how local developers and key community institutions can be brought in as part of the development
- If your development firm/team is chosen to lead this development effort, please outline the process and time schedule for phased development as it relates to the spring 2019 opening of the stadium. It is the Multi-Purpose Stadium Site Development Team's desire to have phased construction of development begin at the same time as the stadium construction.

Site Visits

Individual site visits may be scheduled by appointment. Interested respondents are encouraged to visit High Point and meet with staff, subject to availability.

Communications

Inquiries regarding this selection process are to be directed to the Multi-Purpose Stadium Site Development Team as follows:

Ray Gibbs, Executive Director Forward High Point
Email: ray.gibbs@forwardhighpoint.com
Phone: 336.420.2677

Rights

The Multi-Purpose Stadium Site Development Team reserves the right to reject any or all submittals in this developer solicitation process. The Multi-Purpose Stadium Site Development Team reserves the right to amend submittal requirements, including due dates, and other materials, as may be necessary to ensure a competitive and transparent process. All work products submitted by respondents as part of the required submittals become the property of the Multi-Purpose Stadium Site Development Team. No submissions will be returned to respondents.

Selection Considerations

In reviewing the responses, the following criteria will be considered:

1. The general qualifications, performance, financial capacity and organizational capacity of the developer to successfully plan and complete development projects of similar type and scale on time and within budget
2. Vision Statement – Creativity and coherence in defining a vision for the Multi-Purpose Stadium Site with a roadmap for the successful development of the project over the long term
3. Experience – A review and judgment of the development entity's experience in negotiating complex real estate transactions with public/private partnerships; experience with mixed-use urban development involving the integration of public and private funding sources, particularly in the creation of infrastructure and parking facilities; experience with planning, designing, developing, constructing, marketing, leasing and managing mixed-use infill projects of similar scale and complexity; and experience with the use of public finance and economic development incentive programs, including tax credits, tax increment financing, municipal improvement districts, etc.
4. The extent to which the proposed development follows the goals explained in this RFQ and other relevant planning documents for the area
5. The anticipated market and financial feasibility of the project
6. The anticipated ability of the project to secure necessary public and private funds
7. The public benefits that are anticipated to be provided by the project
8. Ability to commence project predevelopment activities upon selection
9. Experience facilitating civic engagement processes in developing approved redevelopment plans
10. Overall quality of the submission
11. Creative ideas and innovative approaches to realizing the Multi-Purpose Stadium Site Development vision

The Multi-Purpose Stadium Site Development Team will review responses received by the due date. They will select the finalists for consideration by the Forward High Point Board of Directors. Prospective developers may be requested to present their submittals to the Forward High Point Board of Directors and/or High Point City Council before a final selection to be made.

Forward High Point Board of Directors (FHP) are working on behalf of the Multi-Purpose Stadium Site Development Team and will work with the selected developer (or developer team) to enter into a development agreement that will guide development activities within the Multi-Purpose Stadium Site.

The Multi-Purpose Stadium Site Development Team may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the development team or developer for these opportunities. The Multi-Purpose Stadium Site Development Team reserves the right to reject any or all responses or parts of responses, to negotiate modifications of responses submitted and to negotiate specific work elements with a prospective developer into projects of lesser or greater magnitude than described in this RFQ or the prospective developer's response.

Standard Terms and Conditions



This is a non-binding RFQ. Neither this RFQ nor any selection of a developer's response by the Multi-Purpose Stadium Site Development Team, Forward High Point or the City of High Point create any obligation by the Multi-Purpose Stadium Site Development Team, Forward High Point or the City of High Point or other parties to sell real estate or enter development agreements.