City of High Point

Municipal Office Building
211 South Hamilton Street
High Point, NC 27261

Meeting Agenda

Tuesday, March 22, 2016

9:00 AM

City Council Retreat

Council Chambers

Special Called Meeting of City Council

William S. Bencini, Jr., Mayor
James C. Davis, Mayor Pro Tem
Latimer B. Alexander, IV, Cynthia Y. Davis,
Jason P. Ewing, Jeffrey J. Golden,
Alyce E. Hill, Christopher Williams,
Jay W. Wagner

160144 City Council Retreat - Strategic Planning Session -
The City Council met on Tuesday, March 22, 2016 at 8:30 a.m. at the High Point University for the purpose of a Strategic Planning Session. Ms. Meridith Powell, facilitated the session. At this meeting the Council adopted three long term strategic goals.

Sponsors: Committee of the Whole

Attachments: City Council Retreat - March 22 2016.pdf
STRATEGY SLIDES.pdf

160145 Presentation - Proposed Stadium Project - Taskforce Update -
Mr. Sims Hinds, with Dilworth Advisors, updated the City Council on the proposed High Point Multipurpose Stadium Phase II project during the City Council Retreat held on March 22, 2016 at High Point University.

Sponsors: Committee of the Whole

Attachments: High Point Multi-Purpose Stadium Phase II Update.pdf

City of HIGH POINT NORTH CAROLINA

Strategic Planning

WELCOME

8:00 a.m.	Arrival
8:15 a.m.	Call to Order by Mayor Bencini
8:20 a.m.	Opening Remarks

Strategic Planning Agenda

8:30 to 9:00	Overview of the Day Ground Rules
9:00 to 9:30	Strategy Overview Prework
9:30 to 10:00	Key Success Measures
10:00 to 10:15	Break
10:15 to 10:45	Long Term Goals Group Work
10:45 to 11:30	Long Term Goals Selection
11:30 to Noon	Short Term Goals Group Work
Noon to 1:00	Working Lunch
1:00 to 1:30	Short Term Goals Selection
1:30 to 2:15	Action Plans
2:15 to 3:00	Action Plans Present
3:00 to 3:30	Buffer Time & Next Steps

Ground Rules!

Involved

Open Minded

Listen

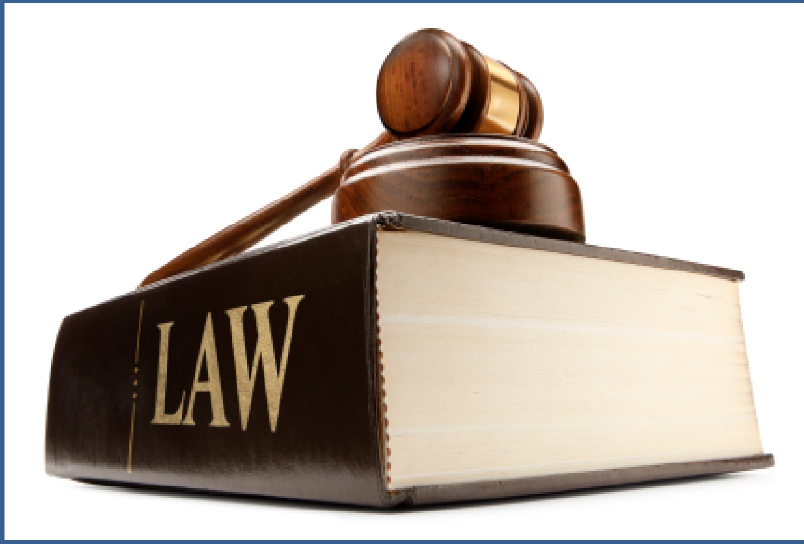
Silence is Agreement

Be Honest

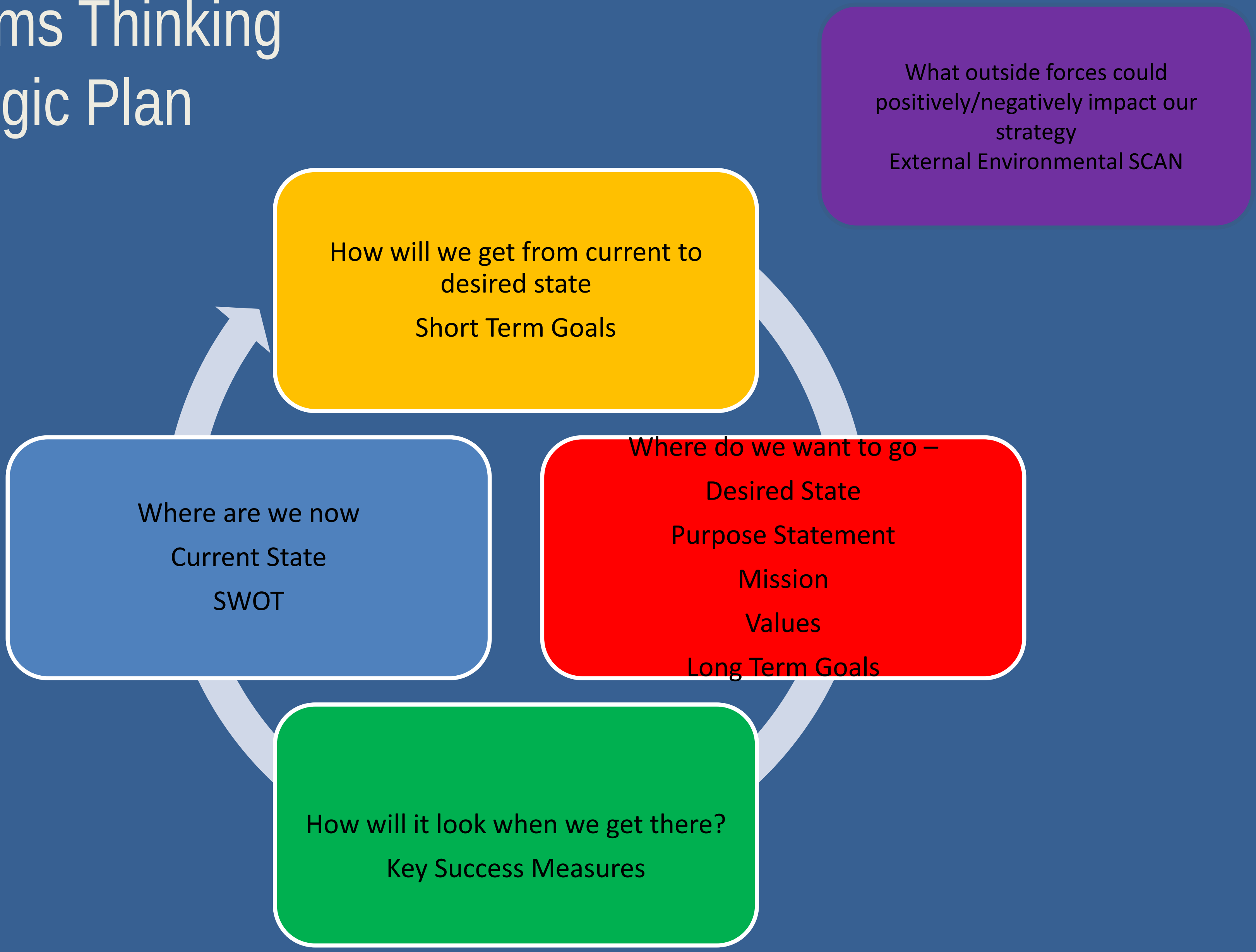
Solution Oriented

Encourage

Fun



Systems Thinking Strategic Plan



PREWORK

STRENGTHS

Service
History
Employee experience,
Relationships internal and external
Morale
Presence of and relationship with High Point University & Guilford Technical College
Philanthropic nature of citizens

Location in Piedmont Triad region and proximity to two larger cities (Greensboro and Winston Salem)
Technology
Diverse parks system
Culture
Non Union
Key community relationships
Strong partnership with business community
Economically affordable
Four seasons
Good place to work

WEAKNESSES

Staffing – over and under
Responsiveness
Training
Lack of trained employees
Dead downtown
Troubled neighborhoods
Lack of activities for residents and visitors
Inexperienced team members & turnover
HR Issues – regulation, lack of career progression

Resistant to change
– staff and council
Reputation
Lack of empowerment
Stagnant tax base
Lack of strategic direction
Economic challenges
Serious diversity communities
Communication
Lack of Identify

OPPORTUNITIES

Diversify economic base
Branding
Special events
Diversity industry
Attract new business
Define and claim the growth we want
Downtown
Lakes and Green Space
The Environmental Center, sports fields, golf courses, lakes, marinas, campgrounds etc…
Visibility with social media, programs

More open to change
Define and claim our identify
Better utilize technology and social media to promote the city
govern efficiently
Privatization
Community relationships
Career and advancement opportunities for staff
Technology
Increase benefits to keep employees
Environmental market
Millennials
Council leadership

THREATS

Fear of Innovation
High Taxes
Home ownership
Loss of talented staff
Not keeping up with emerging technology
Holding on to old ideas about growth
Loss of knowledgeable staff/lack of succession planning
Lack of new revenue resources
Tax structure becoming inadequate to support the services desired by the population

Not keeping up with technology
Competition
Low paying and lack of jobs
Not recognizing that the community and society is changing
Thinking that furniture is the option
Employees and talent long term
Allowing others to define us
Not changing
Not accepting reality

FEES

S – Society – More diverse, multi-cultural, younger, high expectations, low-paying jobs, entitled, fearful, changing rapidly, lack of respect of authority, health oriented or not

K – Compete – Mergers, acquisitions, more and more of it, strong with close cities, growing and expanding, more pressure on how to get seen and heard, privatization

E – Economics – Service focused, slower than ever, not small business friendly, fluctuating, overly regulated, has affected manpower and skill level, local focus to buy and live

P – Political Reg. - Changing, social media, polarizing, not business friendly, budget cuts, regulations self, state and federal

T – Technology – Virtual, constant changes, online services, continued growth and change, create more ways to service people, remote working, creating opportunity and challenges

I – Industry – Temporary, changing out furniture and pharmaceutical, creating more efficiency, highly competitive, centralized labor, outsourcing

C – Customers – They want more service, more attention, less loyal and highly demanding

VISION & MISSION

VISION STATEMENT

"Creating the Single Most Livable, Safe and Prosperous Community in America"

MISSION STATEMENT

The City will serve as the catalyst for bringing together the community's human, economic & civic resources for the purpose of creating the single most livable, safe & prosperous community in America.

VALUES

Integrity. Saying what we mean and consistently doing what we say with no desire other than the good of the citizens that we serve. It means standing up for beliefs.

Creativity. The commitment for developing new and effective ideas. It is an everyday practice involving the continual encouragement of creative, imaginative and innovative service alternatives involving the whole organization.

Helpfulness. A passion for excellent in service quality as defined by the citizen. It means serving as a catalyst for bringing people and resources together to improve the quality and responsiveness of our services. We expect all employees to be helpful and willing to assist others in a timely, dependable and accurate manner.

Responsibility. A continual process that emphasizes a high level of personal accountability by each member of the organization.

Partnership. Adding competitive value and quality to the services provided to our residents, businesses and visitors through responsible fiscal stewardship, increased innovation, greater use of technology, and expanded civic, neighborhood and regional partnerships.

Balance. Valuing a style of life that encourages the whole person, and a balance of time for self, family, community and work. Values, honors and respects community and work force diversity.

KEY SUCCESS MEASURES


Breathe!

LT GOALS

Examples:
Increase Tax Base By 10 Percent

Reduce Crime By 20 Percent

Increase Small Business Success by 25 Percent

Identify and develop a strategy for new revenue resources

GROUP Work

SCRIBE

Leader

Time Keeper

Questions:

Given Desired State & Current State

Identify 3 LT Goals

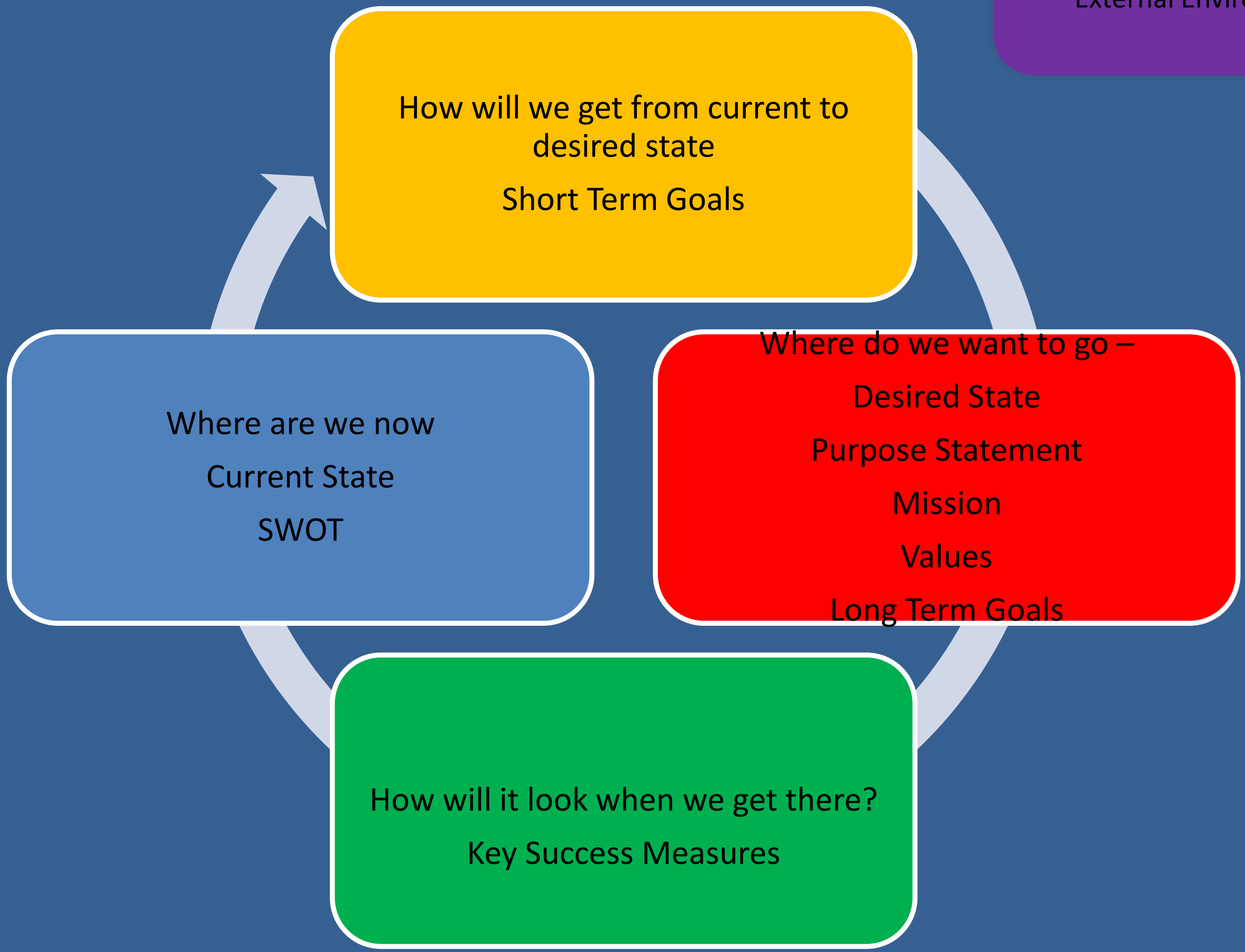
Groups PRESENT

SHORT TERM GOALS

Systems Thinking Strategic Plan

What outside forces could positively/negatively impact our strategy

External Environmental SCAN



ST GOALS

Examples:
LT Goal:
Reduce Operating Expenses by 20 percent in the next three years

ST Goal:
Create a strategy to reduce operating expenses by 10 percent in 2016

GROUP Work

SCRIBE

Leader

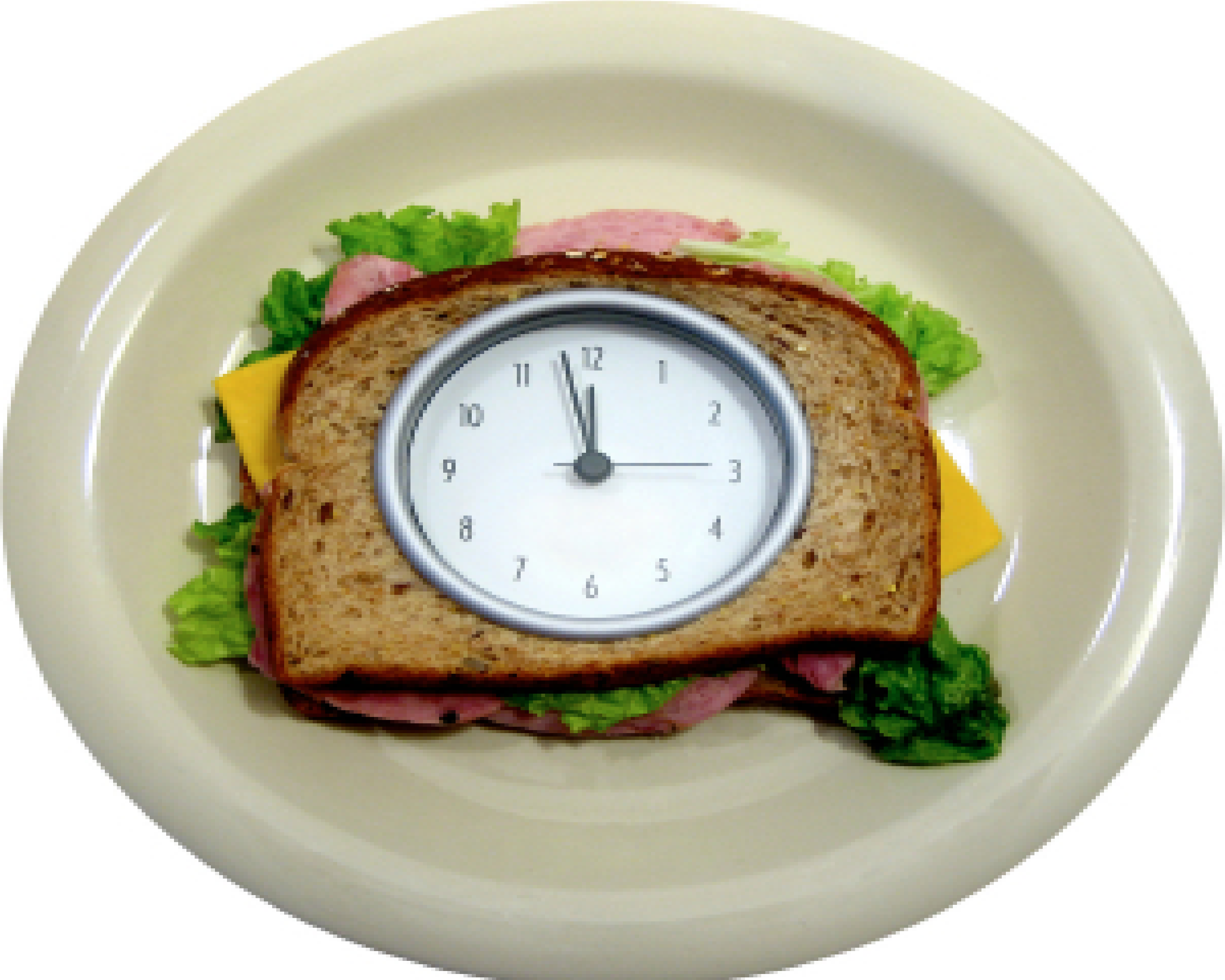
Time Keeper

Questions:

Given Desired State & Current State

Identify 3 ST Goals

Groups PRESENT



ACTION PLANS

Action Plan

Goal:

Time Frame:

Actions:

Measurement:

Accountability:

Team Members:

Goal:	Create a process that will determine both the current # of active, engaged & entrepreneurial millenials we have; then develop and implement a need assessment to understand how to grow & retain them.
Time Frame:	Now until – Dec 2016
Actions:	Develop a millenial task force (next 90 days)
	- Updated interested citizen list
	- urban ag task force
	- Chamber participants
	- HPU participates
	Establish downtown business/creative incubator (60 days)
	- recruit groups to help establish incubator
	- identify locations downtown
Measurement:	5 locations within 6 months
	Report of task force to council & business community quarterly
Accountability:	Increase in active, engaged millenial population
	Active and full incubator
Team Members:	
	CPE Department, Council, Business Community Partners, HPU Participants

Action Plans

Goal:

Time Frame:

Actions:

Measurement:

Accountability:

Team Members:

PRESENT PLANS

WRAP UP
NEXT STEPS

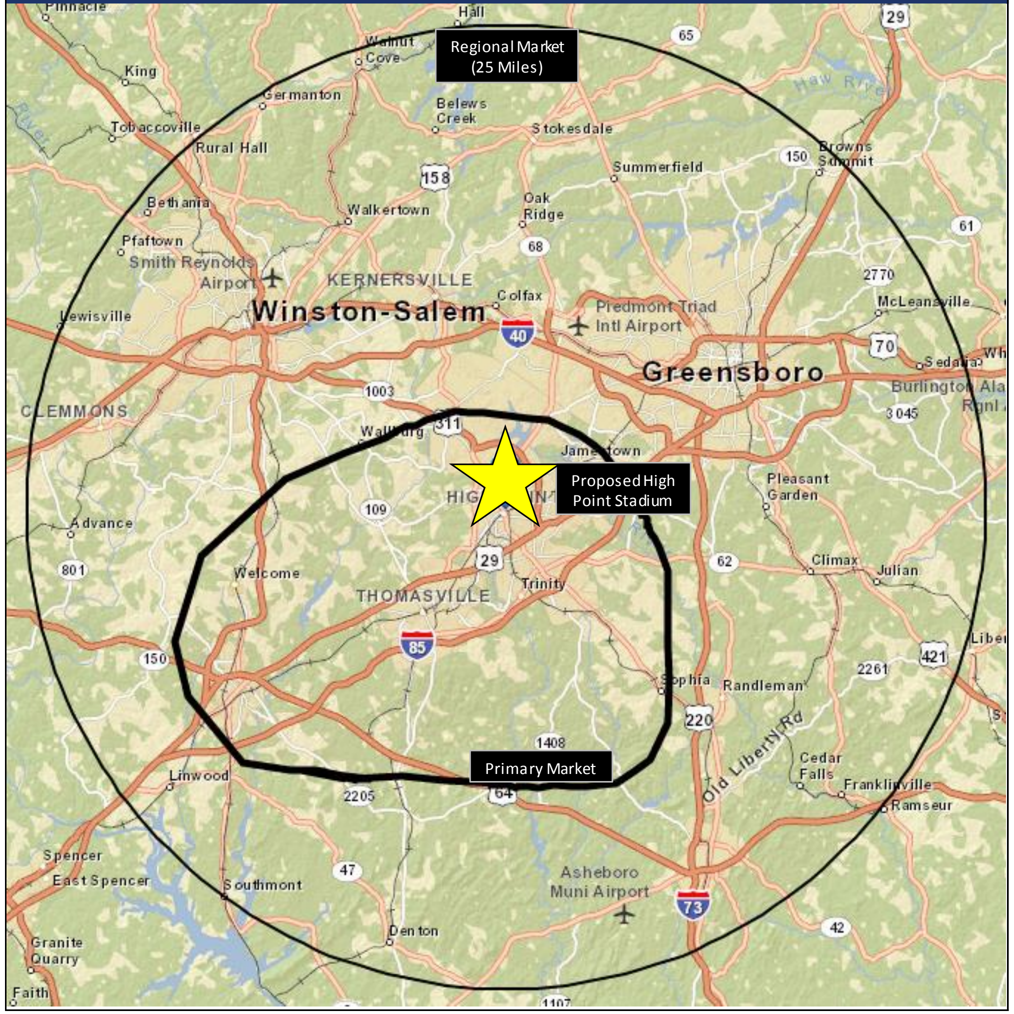
PHASE II UPDATE FOR
HIGH POINT CITY COUNCIL

PHASE I
Overview

- Commissioned by Ballpark Task Force
- 100% of funds raised privately
- Completed December 2015

LOCAL AND REGIONAL MARKET CHARACTERISTICS

LOCAL AND REGIONAL MARKET
PROPOSED HIGH POINT STADIUM



DEMOGRAPHIC PROFILE
PRIMARY MARKET

Demographic Variable	Primary Market	City of High Point	Regional Market	United States
Population:				
2015 Total Population	228,117	107,860	1,137,526	318,536,440
2020 Total Population	233,807	112,500	1,179,220	327,981,320
Historical annual growth rate (2010 to 2015)	0.3%	0.6%	0.6%	0.6%
Projected annual growth rate (2015 to 2020)	0.5%	0.9%	0.7%	0.8%
Age:				
Median Age	40.0	37.3	38.5	37.9
Age Distribution:				
Under 18	22.7%	23.6%	22.6%	22.8%
18 to 34	21.3%	23.5%	23.2%	23.6%
35 to 54	27.0%	26.7%	26.7%	26.0%
55 and over	29.0%	26.2%	27.6%	27.6%
Household Income:				
Median Household Income	$40,483	$42,923	$44,236	$53,220
Cost of Living Index	86	86	86	100
Adjusted Median Household Income	$47,074	$49,910	$51,437	$53,220
Income Distribution:				
$0 to $24,999	30.8%	29.6%	27.4%	23.1%
$25,000 to $49,999	27.9%	26.5%	27.4%	23.8%
$50,000 to $74,999	17.0%	17.5%	17.3%	17.6%
$75,000 to $99,999	11.1%	9.7%	10.8%	12.5%
$100,000 to $149,999	8.7%	9.9%	10.0%	12.9%
$150,000 or more	4.5%	6.8%	7.1%	10.2%

Source: ESRI.

PRELIMINARY SCHEDULE OF EVENTS

<table>
<tr><th></th><th colspan="12">HIGH POINT STADIUM
Preliminary Schedule of Events</th></tr>
<tr><th>Month</th><th>Jan</th><th>Feb</th><th>Mar</th><th>Apr</th><th>May</th><th>Jun</th><th>Jul</th><th>Aug</th><th>Sep</th><th>Oct</th><th>Nov</th><th>Dec</th></tr>
<tr><td>HiToms Season Schedule</td><td></td><td></td><td></td><td></td><td colspan="4">35 Home Games</td><td></td><td></td><td></td><td></td></tr>
<tr><td>H.T. Locos and 5K</td><td></td><td></td><td></td><td></td><td colspan="2">3 Events</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>HiToms Baseball Camps</td><td></td><td></td><td colspan="5">9 Camps</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Division II Baseball World Series</td><td></td><td></td><td></td><td></td><td>1 Week</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>High School Baseball Playoffs</td><td></td><td></td><td></td><td></td><td colspan="2">Regionals / State</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>High School Football</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td colspan="4">14 Games</td></tr>
<tr><td>American Legion State Tournament</td><td></td><td></td><td></td><td></td><td></td><td></td><td>1 Week</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>High Point Market Events*</td><td></td><td></td><td></td><td>4 Events</td><td></td><td></td><td></td><td></td><td></td><td>4 Events</td><td></td><td></td></tr>
<tr><td>Other Youth Sports Tournaments*(1)</td><td></td><td></td><td></td><td colspan="7">3 - 4 Small to Medium Sized Tournaments</td><td></td><td></td></tr>
<tr><td>Concerts</td><td></td><td></td><td></td><td></td><td colspan="4">2 - 3 Concerts</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Other Events / Corporate Outings</td><td colspan="12">20 - 30 Events Per Year</td></tr>
</table>

* Estimate.

(1) If Site 1 selected and proposed soccer field constructed.

Note: This analysis is preliminary and subject to revision upon completion of Phase II.

PHASE I
Conclusions

CONVENTIONS SPORTS & LEISURE CSL

ODELL

- High Point market large enough to support multi-purpose stadium
- High Point regional business community large enough to support commercial interest

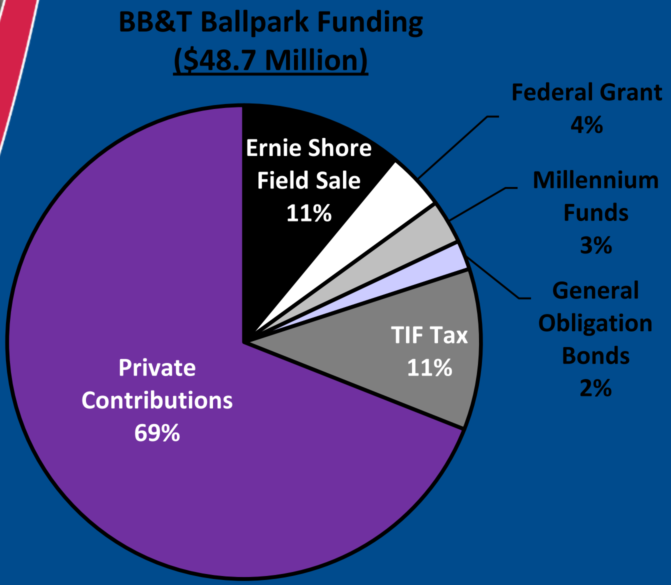
PHASE II
Process Overview

CSL developed a scope of services to assist the Downtown Development Board and other project representatives in making informed decisions regarding a potential multi-purpose stadium in the City of High Point

<u>Phase II Process Steps</u>

- Comparable Facility Case Studies;
- Market Surveys;
- Estimated Market Demand;
- Finalized Building Program and Cost;
- Estimated Ancillary Development Potential;
- Financial Analysis; and,
- Economic Impact Analysis.

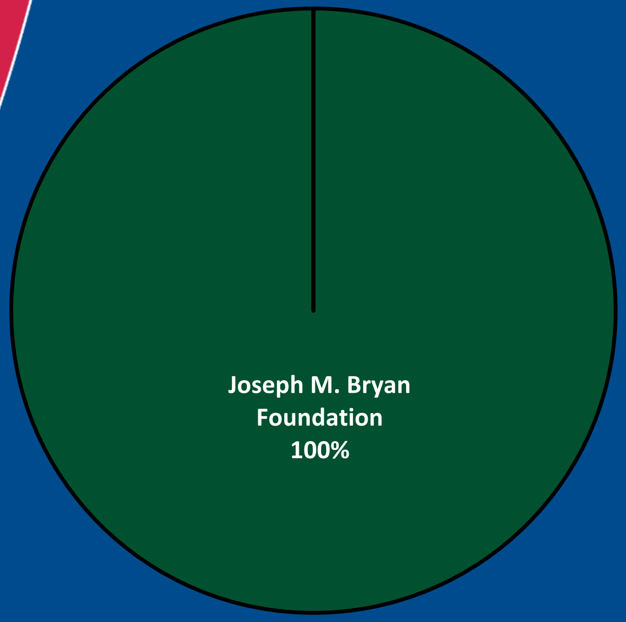
BB&T BALLPARK
Winston-Salem Dash



- Opened in 2010, $48.7 million
- Originally anticipated to cost $23 million
- 69% private / 31% public
  - $5.5 million in TIF District Funding
  - Private Sector Funding:
    - $15 million loan from ballpark revenues
    - $12.7 million from City paid back from ballpark revenues and rent
    - $5.7 million in upfront equity
- Team pays $190K in rent and $350K in ticket surcharges to repay City loan
- Undisclosed naming rights deal with BB&T Bank

NEWBRIDGE BANK PARK
Greensboro Grasshoppers

NewBridge Bank Park
($22.6 Million)



- 100% financed through Joseph M. Bryan foundation
- The team's ownership group exercised an option to purchase the stadium from the Bryan Foundation for $12.8 million in 2012
- In 2007, the Grasshoppers entered into a 10-year naming rights agreement with NewBridge Bank for a reported $300,000 per year
- First of several private investments to redevelop downtown Greensboro
    - $40 million already invested
    - $50 million planned for a mixed-use development, including 300 upscale apartments and a six-story 100+ hotel room with 3,500 square feet of meeting space
    - Also anticipating $65 million performing arts center to open in 2017

PROJECT JACKSON
North Augusta, SC

- $183 million development funded by a public-private partnership which includes a new ballpark, a new hotel and retail space
    - ~$125 million from private investment
    - ~$58 million from TIF District Financing
- Financing was originally opposed as private residents contended TIF District selected was not as blighted as might be required under TIF law
- South Carolina's Supreme Court sided with the City of North Augusta and upheld plans for TIF financing
- Augusta GreenJackets (full-season Class A) expected to be primary tenant

SHOCKOE BOTTOM PROJECT

Richmond, VA

- Downtown revitalization plan including Hyatt hotel, office/residential space, retail space, grocery store, historical site and a new ballpark
    - Anticipated to be a 7,500 seat ballpark (Richmond Flying Squirrels - AA)
- Alternative plan proposed to place the ballpark in an area of Richmond known as The Boulevard
    - $68 million cost compared to $80 million for Shockoe Bottom development site
- Shockoe Bottom projected to generate $12 million in annual tax revenue while The Boulevard is anticipated to generate $6 million
- No approval for either site has been made

High Point
Multi-Purpose Stadium Survey

For

Community leaders are considering the merits of the development of a multi-purpose stad Point-Thomasville HiToms ("HiToms") collegiate summer league baseball games, collegiat baseball games, concerts, high school football, youth sports, collegiate sports and com downtown High Point.

In many communities across the country, multi-purpose stadium developments ha catalyst to drive economic development, support local businesses, provide residen affordable entertainment options and generate community exposure through cover forums.

New City Project Foundation has hired a third-party consultant to conduct an determine the feasibility of a multi-purpose stadium and associated ancillary de High Point. As a step in this process, the consultant is seeking input from area visitors to determine interest and support for a multi-purpose stadium in dow take 5 to 10 minutes to complete this survey. Your input is an important part of

1. Are you answering this survey on behalf of yourself/family, your business
   - Myself/family
   - Business
   - Both
2. Have you ever attended a HiToms home baseball game?
   - Yes
   - No *(Skip to Q4)*
3. How would you characterize your current ticket purch
   Please select all that apply
   - HiToms Family Box 4 tickets (35 Home
   - HiToms Business Box 4 tickets (35 H
   - Box Seat Reserved (35 Home Ga
   - Tommy Box Plan (18 Home G
   - Super Flex (General Admi
   - Flex Plan (General Ad
   - Single game *(Skip*
   - I do not curr

MARKET SURVEYS
Overview

CSL developed a comprehensive market survey to test the opinions and feedback of groups within the High Point Community in regards to the proposed multi-purpose stadium in the City of High Point.

The survey was sent out to the Chamber of Commerce database on March 11th and will be distributed to the HiToms season ticket base over the next week . To date, we have received **443 total responses**.

Survey Topics

- HiToms ticket purchase status;
- Attitude towards stadium development;
- Attendance impact of new stadium;
- New stadium amenities;
- Other event interest;
- Premium seating options;
- Corporate partnership opportunities; and,
- Others.

MARKET SURVEYS
Extrapolation Process

CSL will utilize the results from the market surveys to extrapolate potential demand for seating in a new multi-purpose stadium. Below is an overview of that process:

1. Extrapolate Results to Population of Target Markets
2. Population Reduction Due to Email Survey Bias
3. De-Duplicate Target Market Populations for Cross-Over
4. Based on Specified Buying Intent
5. Apply Sales Conversion Rates Based on the Strength of the Purchase Intent (Definitely, Likely or Possibly)
6. Sales Conversion Rates Vary By Target Market Based on Past Financial Support for HiToms baseball
7. Factor Number of Seats Desired and/or Degree of Sharing with Other Parties

BUILDING PROGRAM
Update

CSL will utilize the survey demand results and comparable facility benchmark work performed in Phase I to arrive at a finalized building program recommendation.

Below are the preliminary results presented to the City as part of Phase I.

Preliminary Building Program

- 3,000 to 3,500 fixed seats with additional berm seating
- 300 to 350 club seats
- 6 to 8 luxury suites
- 365 day calendar of events

CSL utilizes the estimated demand and building program to construct cost estimates and a financial model to estimate revenues, expenses and economic impacts generated by the development of a multi-purpose stadium.

ANCILLARY DEVELOPMENT POTENTIAL

CSL has had initial discussions with multiple developers, both local and regional, interested in the stadium development.

Below are some of their preliminary thoughts about the two potential sites:

Site 1

- Large investment required for developers
- Site "boxed-in" by furniture showrooms (less potential)
- Limited service hotels (off-site)
- 200+ residential units
- Restaurant / retail development more challenged
- 10+ years for full economic development buildout
- More participation required

Site 3

- Highest ancillary development potential (closer to core City assets)
- Easily convertible sites
- Limited service hotels (off-site)
- 200+ residential units
- Restaurant / retail development
- 7 to 10 years for full economic development buildout
- Partner participation required

FINANCIAL ANALYSIS
Process Overview

CSL will develop Excel-based models capable of sensitivity analysis for the various facility development scenarios, sizes and configurations as identified in the previous tasks.

The model assumptions will be based on the estimated levels of event utilization and attendance derived from the market analysis.

Revenues

- Ticket Sales;
- Rentals;
- Food and Beverage;
- Merchandise;
- Parking;
- Premium Seating;
- Sponsorships;
- Naming Rights;
- Other Revenues.

Expenses

- Team Expenses;
- Ballpark Operations:
- Event-Day Expenses;
- Rent/Lease Payments;
- Debt Service; and,
- Capital reserve.

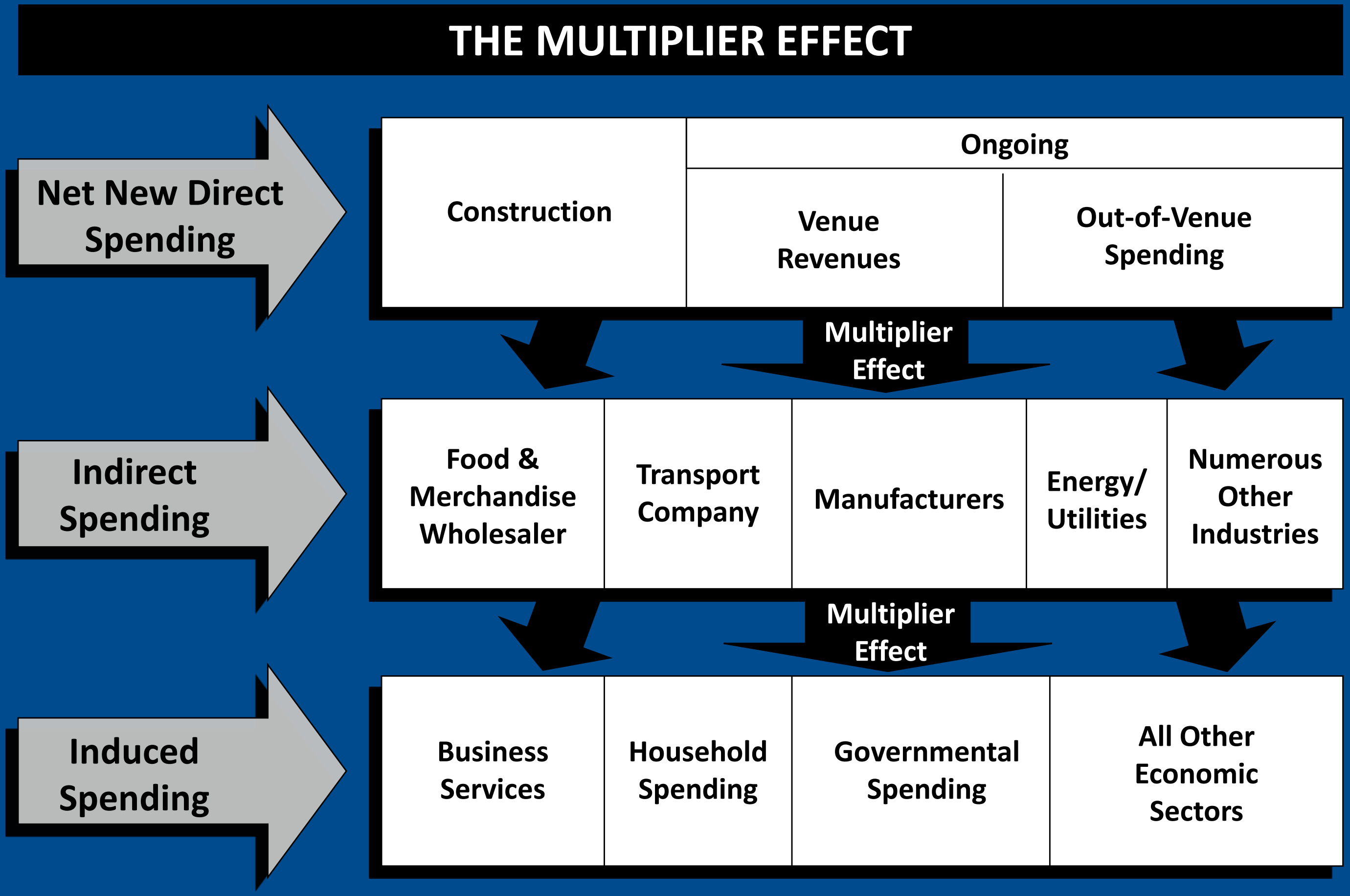
ECONOMIC IMPACT
Process Overview

CSL will quantify the incremental economic and fiscal impacts anticipated to be associated with the construction and operations of the proposed multi-purpose stadium, as well as the economic and fiscal impacts anticipated to be associated with ancillary development opportunities around each potential site.

Economic and Fiscal Impacts

- Utilize IMPLAN economic modeling system to prepare economic and fiscal impacts
- Economic multipliers specific to the City of High Point
    - Total Output (Direct, Indirect and Induced spending)
    - Employment
    - Personal Earnings
- Direct Spending
    - Construction
    - Facility Operations
    - Ancillary Development
- Focus only on “net-new” spending
    - Leakage (outside High Point)
    - Displacement (would have occurred in the City regardless)
- Tax revenues (sales, property, others) that accrue to the City of High Point

ECONOMIC IMPACT
Multiplier Effect



PHASE II
Next Steps

1. Conduct market surveys with HiToms season ticket database;
2. Analyze survey results and estimate market demand;
3. Prepare finalized building program recommendations and cost estimates;
4. Prepare financial and economic impact model incorporating survey demand results and ancillary development potential;
5. Propose potential funding options
6. Present **draft** report to the Downtown Development Board by the **end of April.**

PHASE II UPDATE FOR
HIGH POINT CITY COUNCIL

Mayor and Council,

Attached is the agenda for our Tuesday March 22, 2016 Council work session and Strategic Plan Meeting.

Thank you for your efforts in completion of the SWOT Analysis and Environmental Scan. This work will be a key element as we tackle the hard work of priorities and short and long term goals.

Meridith Elliott Powell will lead our strategic plan development efforts and the result of the day should be focused strategies, key goals and methods of accountability.

Our meeting will start at 8:00 and will be in the Board Room of High Point University's Plato Wilson building.

Our Budget Briefings over the past weeks were intended to provide Council with information and insight important to developing public policy decision for High Point's future.

Monday March 21, 2016 Mike McNair will present information on the past and future work of our Community Development group. We are reshaping the efforts of Community Development to assist and resolve issues we face in our Community. Monday's discussion will provide an overview of the issues and potential work plans for our future.

The work you complete at our retreat will be the foundation for our 2017 budget and focus the resources, efforts and work for the next 3 to 5 years.

Attending:

City Manager – Greg Demko
Deputy City Manager – Randy McCaslin
Assistant City Manager – Randy Hemann
City Attorney – JoAnne Carlyle
Budget Manager –Eric Olmedo
City Clerk – Lisa Vierling
Community Development Director – Mike McNair
Communications Director – Jeron Hollis
Hinds Sims – Citizen
Meredith Powell – Facilitator

Mayor Bencini
Latimer Alexander
Jason Ewing
Alyce Hill
Cynthia Davis
Jeff Golden
Chris Williams
Jim Davis
Jay Wagner

Special Meeting of the High Point City Council
Tuesday, March 22, 2016 – 8:00 a.m. – 4:00 p.m.
High Point University

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8:15 a.m.	Call to Order by Mayor Bencini
8:20 a.m.	Opening Remarks

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