



City of **GREENSBORO** *North Carolina*

Steven Tanger Center Update Public/Private Partnership

**City Council Work Session
July 29, 2014**





Tanger Center Update

Funding Overview

- Estimated land, design and construction: \$65 million
- City Contribution: \$30 million
- Private Donations: \$35 million

Project Timeline

- **February 2012 – November 2012** :Task Force Work
- **December 2012 – September 2013**: Staff Analysis, Private Fundraising
- **August 2013 – March 2014**: Site Selection/Property Acquired
- **March 2014 – July 2014**: MOU Approval/Develop Project Financing - \$35 million Guarantee/ Develop Design Contracts
- **August 2014 – Sept. 2015**: Project Design, Construction Manager At-Risk Selected, Project Bid and Award
- **October 2015 – April 2017**: Project Construction
- **May 2017**: Opening Ceremonies



Tanger Center Update

Project Design and Construction Update

- Contracts submitted June 27 for review and approval by Donor Building Committee, City Attorney & City Insurance Advisor
 - 15.1 percent of M//WBE participation in the STPAC A&E Design Team Contracts
 - Approximately \$5 Million
- Revised final contracts submitted for City Council approval on August 4, 2014
- Overall timetable for STPAC project and detailed schedule for Design Phase in Council packets for review
- RFQ for Construction Manager at Risk (CMAR) selection process currently being prepared
 - RFQ Issued August, 2014
 - City Council will approve CMAR contract for pre-construction services at September 16, 2014 meeting
- CMAR will present a Guaranteed Maximum Price (GMP) to City and Donor Building Committee for review
 - Council will review for approval in early October, 2015. If approved, City will issue Notice to Proceed to CMAR to begin construction



Tanger Center Update

Council Actions Required August 4

- Resolution Approving Design Contracts
 - Approximately \$5 million
- Amend Project Budget Ordinance
 - Design Contracts of \$5 million
 - Private Donors
 - Demolition of remaining properties estimated at \$341,000
 - Rental Income and Parking Revenue



Tanger Center Update

Project Financing – Private Project Funding Sources

- Private Donations: \$35 million
- CFGG/private donors fund \$5 million of design costs and \$30 million of facility costs
- CFGG will provide a \$35 million guarantee (\$10 million donor funds along with a \$25 million loan from Bank of North Carolina)
- CFGG bank loan requires a security interest in part of the project as agreed to in the MOU
 - The on-site parking lot will be transferred to CFGG to secure its loan
 - Council approval required to transfer property (November 2014)
 - After loan is repaid, the parking lot will be transferred back to the City
- Donor contributions to be collected 2013 through 2023
 - \$31.2 million contributed through 2018 with \$3.8 million contributed 2019-2023



Tanger Center Update

Project Financing – City Project Funding Sources

- City Contribution: \$30 million
- City financed \$11.5 million to acquire sites in 2013-14 and will provide \$18.5 million for construction 2015-16 via two-year limited obligation bond anticipation note with PNC Bank
 - City will enter into \$30 million loan after construction bids are received, subject to LGC approval
 - City's loan requires a security interest in the property financed (excluding on-site parking lot)
- City will own and operate the facility



Tanger Center Update

Greensboro Performing Arts Foundation

- Greensboro Performing Arts Foundation, Inc.
- Tanger Center Governing Body
- NC Articles of Incorporation filed in June 2014
- IRS 501(c)(3) status pending
- Bylaws/selection of board members (13 members)
- City Council board appointments August 4, 2014
- Convene Fall 2014



Tanger Center Update

New War Memorial

- Located on the southwest portion of the Greensboro Historical Museum property and facing the new Tanger Center
- Fulfills requirement of the MOU to recognize War Memorial veterans
- Projected cost is \$86,000
 - Funded by third party sponsors or revenue generated from premium parking at former site of War Memorial Auditorium



Tanger Center Update
