

## Downtown Kannapolis baseball stadium could generate more than \$19 million in economic impact a year

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KANNAPOLIS — A downtown baseball stadium could generate more than \$19 million worth of economic impact each year and support 248 jobs, according to a study by the consultant firm, Brailsford & Dunlavey. A downtown stadium could generate more than \$1 million worth of taxes each year, according to the study.

*Jason* Thompson, regional vice president for the Midwest with Brailsford & Dunlavey, gave Kannapolis City Council those figures during their regularly scheduled meeting on Monday.

Kannapolis City Council has been discussing the possibility of relocating the stadium from its current location, just off of Lane Street, and developing a sports and entertainment complex in downtown Kannapolis for the Intimidators baseball team.

The proposed downtown master plan, currently being developed by Development Finance Initiative, shows the possibility of the old K-Town Furniture building being demolished to make way for a sports and entertainment complex at the corner of Oak Avenue and West 1<sup>st</sup> Street.

The proposed downtown master plan also shows the possibility of a hotel being located near the Kannapolis Train Station. Also, Lansing Melbourne Group — one of the developers who pitched an idea for a project in downtown Kannapolis — has expressed interest in building a 116 room hotel.

Lansing Melbourne Group (LMG) is proposing \$60.6 million worth of development in downtown Kannapolis. Their proposal includes 271 residential units, a 116 room hotel and retail space. LMG pitched 19,800 square-feet of new retail space and adapting and reusing 63,800 square feet of existing space in downtown Kannapolis. They are proposing the development of a downtown hotel that would incorporate the buildings currently in the block that includes the Cabarrus Bank Building, BonWorth and L'eggs Hanes Bali Outlet Store among others.

Thompson said at Monday's meeting, if a downtown baseball stadium is developed that could lead to 8,600 room nights a year, with the downtown Kannapolis hotel benefitting from the stadium's location.

Monday's presentation built on a market analysis Brailsford & Dunlavey presented in March 2015 that showed the CMC-Northeast Stadium had a total attendance of 125,811 people in 2013, with an average attendance of 1,906. But the study showed that under the right conditions — such as a downtown location with multi-purpose for concerts and business conferences — that could go up to 390,564 people in attendance with an average of 5,744 people per game. During that presentation Thompson added at that meeting there is a total population of 671,478 people within a 30-minute drive of the area.

At the March 2015 meeting, Thompson said one way to capture that market is to have a variety of events. A successful stadium, he said, will do 200 events a year, including baseball. Those events could include wedding receptions, business meetings, concerts, fireworks events as well as marathons and walks.

At Monday's meeting, Thompson said the team can build on its success with a downtown stadium. Among the 30 best Class A markets, which the Intimidators falls into, the team ranks 8<sup>th</sup> in population, 8<sup>th</sup> in retail sales and 11<sup>th</sup> in household income. But the average attendance now is 130,000 and the team ranks 26<sup>th</sup> out of 30 Class A markets.

"That's not to say that somebody is running the baseball team incorrectly, it's not to say the market is bad or the facility is bad," Thompson said. "But those are really the three things you look at — that's what drives attendance... we have the market here in Kannapolis. In my opinion that's a facility that is really making it tough to achieve what attendance levels we think are appropriate for this market."

Thompson said a new stadium would cost about \$38.8 million. That cost would not necessarily be solely Kannapolis' responsibility. Officials said the lease agreement with the Intimidators team could include private investment, plus there could be partnerships with Cabarrus County and the Cabarrus County Convention and Visitors Bureau, among others.

The set up the sports and entertainment complex Thompson described Monday would feature: a capacity of 5,760 people with about 4,000 fixed seats, eight suits, 100 club seats and 40 "logo" seats. The stadium would run about 152,000 square feet.

"We've included in our building program all the spaces necessary for this to be a multi-purpose events facility," Thompson said. "This should be a public asset that is used for public entertainment and event business related events."

Thompson supplied council with a list of 50 different types of events that could be held at the sports and entertainment complex. Previous discussions have included concerts, beer festivals, yoga and other events. Also the stadium could be configured for a rectangular field to allow for soccer and football games.

Officials have expressed interest in relocating the stadium to downtown based on the limitations of the current site.

Watershed restrictions and the proximity of the interstate were limitations for the current property.

Because the stadium is located within a protected watershed zone that limits development growth, the stadium property cannot be expanded, and additional supportive development cannot occur on the remaining vacant property. The stadium was jointly built in 1995 by the Rowan County-Kannapolis Regional Sports Authority, attracting a team that relocated from Spartanburg, S.C. The city acquired full ownership of the stadium in 2012. The stadium currently seats around 4,700.

Due to the age of the stadium and deferred maintenance and limits of the current location city staff initially began exploring the feasibility of renovating the stadium or building a new stadium. Since those

initial conversations, Development Finance Initiative — the organization charged with revitalizing downtown Kannapolis — has stated a downtown stadium could help energize the community.

Michelle Audette-Bauman, project manager with Development Finance Initiative (DFI) has previously said a downtown stadium could lead to \$26 million worth of “adjacent” private development.

“When we say adjacent development we were only looking at private projects that occurred immediately next to, within the same parcel, within the same block or immediately across the street,” Audette-Bauman said at a previous meeting. “So a building across the street from the ballpark or attached to the outfield wall would be adjacent development. A building two blocks away was not.”

Kannapolis officials previously said several restaurants have already told officials if a downtown stadium is built they will open a restaurant in downtown. That could lead to even more businesses eyeing downtown as a place to set up shop.