

June 18, 2025 at 10 a.m.
Via Videoconference and PBS North Carolina Livestream

AGENDA

- A1. Call to Order..... Kirk Bradley
- A2. Preview of Proposed Millennial Campus Mixed-Use Projects –
University of North Carolina Asheville..... Chancellor Kimberly van Noort
- A3. Adjourn

AGENDA ITEM

A-2. Preview of Proposed Mixed-Use Projects –

University of North Carolina Asheville Chancellor Kimberly van Noort

Situation:	The University of North Carolina Asheville is proposing to ground lease property located on the millennial campus for the purpose of developing a mixed-use project.
Background:	UNC Asheville is proposing to ground lease approximately 54 acres to support the development of a mixed-use project that will include a soccer stadium; market-rate housing for students, faculty, or staff; parking; and retail space. The proposed sites, located on the millennial campus, are state property. The project will be completed in phases. The first phase will include a new 5,000-seat soccer stadium, approximately 300 apartment units, commercial retail space, and supporting parking. Additional phases include up to 150 additional apartment units and structured parking.
Assessment:	UNC Asheville will present an overview of the demand for housing, preliminary information on the proposed project, and the proposed structure for delivering and operating the project.
Action:	This item is for information only.



UNIVERSITY of NORTH CAROLINA
ASHEVILLE



STADIUM MIXED-USE DEVELOPMENT

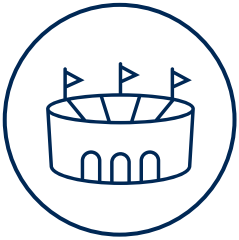


AGENDA

- **Project Overview**
- **Strategic Alignment**
- **Housing Market**
- **Development Land Planning**
- **Project Structure**
- **Budget & Financing**
- **Schedule**
- **Summary/Recap**

Project Overview

The University proposes to enter into a ground lease agreement with a developer to develop a sports and entertainment district.



Stadium

Project anchored by a **5,000-seat stadium**, designed to host USL soccer matches, UNCA events, and major concerts.



Housing

300-450 units of market-rate **housing** to accommodate UNCA students and broader community



Retail

30,000-50,000 square feet of **retail space**

Project Overview

Stadium - Anchor Tenant



Asheville City **SC**

Asheville City Soccer Club was founded in 2016 by a local ownership group.

Men's team began play in 2017.
Top 5 home attendance out of over 100 clubs across the country.

Women's team expansion in 2018.
Broke all-time league single game attendance record in inaugural match.

Highest amateur level in the US.

Summer league primarily for college players to maintain fitness and attract interest from professional clubs.

More than 25 players have successfully signed professional contracts after playing for ACSC.

2024 USL Organization of the Year



United Soccer League

Strategic Alignment

Additional Value to UNCA beyond the annual ground rent paid to UNCA, the stadium and mixed-use development will have substantial non-monetary benefits for the University.

Stadium Access

The stadium is planned to have about 90 private revenue-generating events annually.

UNCA will have shared access to the stadium for games, practices, and other events throughout the remainder of the year, potentially allowing for new varsity or club athletics programming.

Student Life and Academic Integration

Internships and academic tie-ins will allow for year-round experiential learning. New campus gathering spaces and events will support student social connections.

Housing Affordability

The developer will work with local and state entities to integrate subsidy strategies for workforce housing in future phases of development.

Opportunity for Childcare Facility

Potential for a childcare facility as a complementary use within the retail development, with potential for partnership with UNCA to serve as a recruitment and retention tool for faculty, staff, and students.

Strategic Alignment

	Proposed Development
Affordability & Efficiency	Address critical University need while preserving capital and debt capacity for mission-central assets.
Student Success	Provide entertainment and gathering places for students to enhance campus culture. Expands housing availability in tight market where University housing is over 100% occupied. Stadium provides new amenities for current students and athletes and improves recruitment.
Economic Impact & Community Engagement	Turns what is currently unused land into an active portion of campus that generates economic activity.
Excellent & Diverse Institutions	Help recruit and retain a talented workforce in a challenging housing market.
Increase fiscal strength and capacity	Provides a long-term, alternative revenue source for the University. Opportunity for the UNCA to diversify its revenue generators while minimizing risk.
Enhance our public-private partnership footprint across the region, state and beyond	Utilize private sector expertise with appropriate capital risk transfer to deliver non-core assets to the University.

Asheville Housing Market

94%

Occupancy off-campus within a 15-minute drive

\$1,557

Average market monthly rent

24%

Increase in average asking monthly rent in last 5 years

1,211 units¹

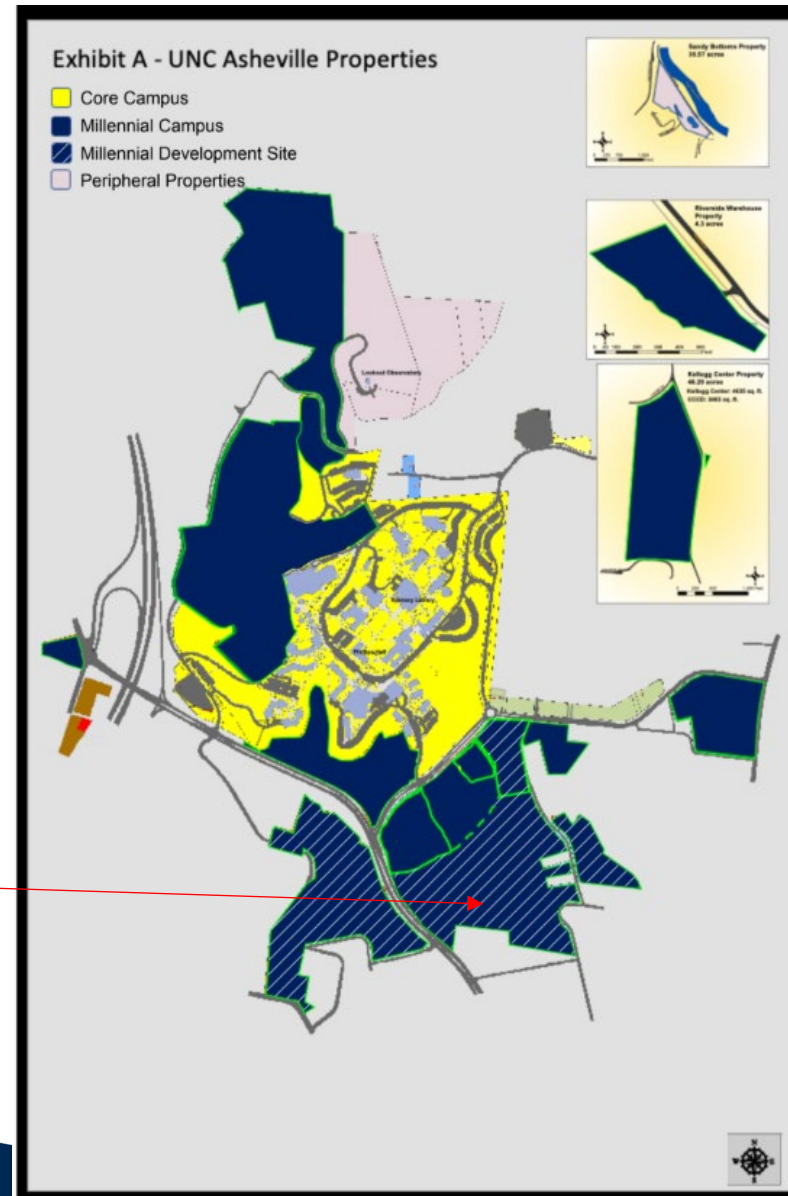
Net market demand over next 5 years

- About seven percent of Buncombe County housing stock was impacted by Helene, with **housing prices expected to increase as a result²**.
- The Project will offer **market rate** housing
- UNCA student housing was at **106% capacity F2024** (1,617 total on-campus beds)
- Anticipate student body **growing to 3800** students by **2030**, from a total of 3,056 in F2024

1: Johnson Consulting Market Report

2: ABC13 News

Development Land Planning



Development site
(54 acres)



NORTH

300

Developmental Land Planning

SUMMARY

PHASE 1 LAND USE

DISTRICT 1 =	± 4.16 AC
DISTRICT 2 =	± 12.06 AC
DISTRICT 3 =	± 5.17 AC
DISTRICT 4 =	± 5.05 AC
DISTRICT 5 =	± 4.84 AC
SUM TOTAL =	± 31.28 AC

PHASE 2 LAND USE

SUM TOTAL =	± 22.75 AC
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Phase 1A –
Stadium

Phase 1B-
Housing, Retail,
Parking

Phase 1C-
Structured
Parking (Future)

Phase 2- Future
Development

Developmental Concept Plan

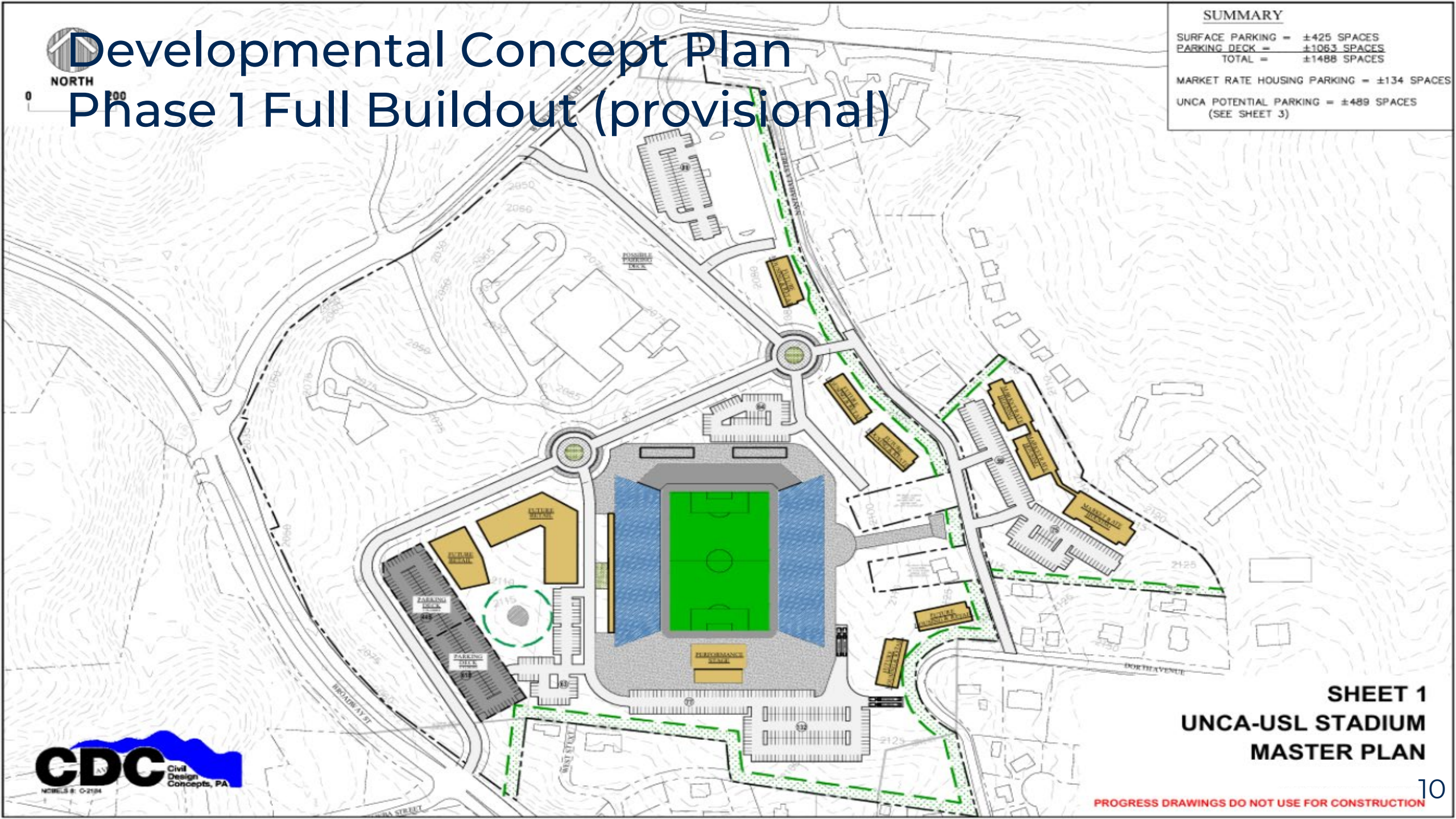
Phase 1 Full Buildout (provisional)

SUMMARY

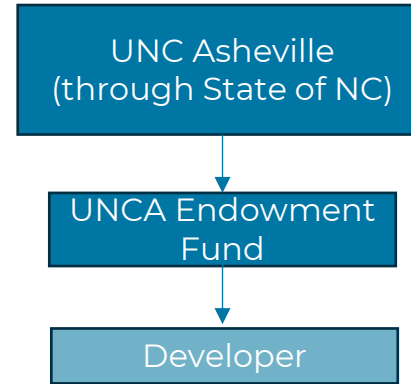
SURFACE PARKING = ±425 SPACES
PARKING DECK = ±1063 SPACES
TOTAL = ±1488 SPACES

MARKET RATE HOUSING PARKING = ±134 SPACES

UNCA POTENTIAL PARKING = ±489 SPACES
(SEE SHEET 3)



Project Structure



The University will enter into a 99-year ground lease with the Endowment Fund

Endowment Fund will then enter into a ground lease with Developer.
Developer will control leased land during the term.
Developer will hold all contracts for design and construction and assumes all budget, delivery, and operating risk.

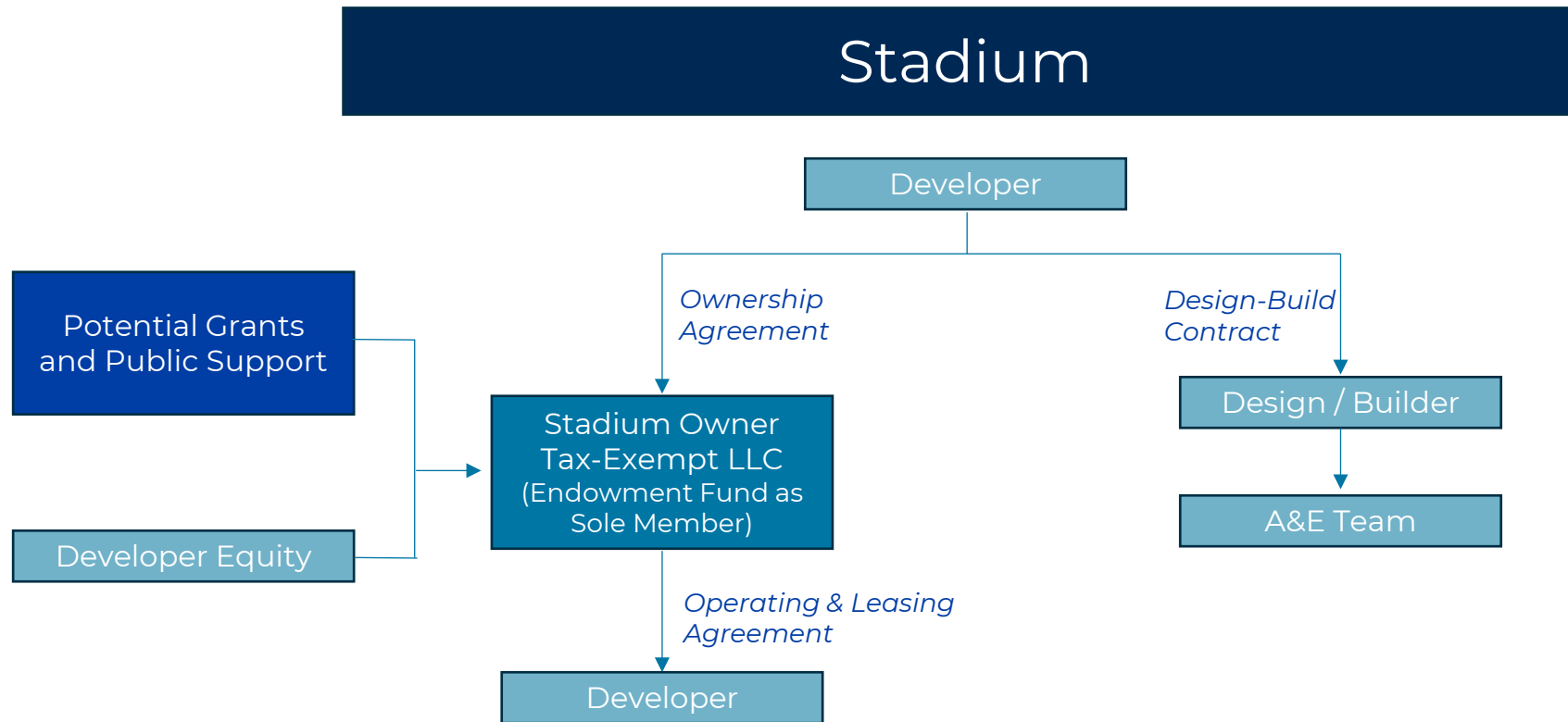
Stadium

- Developer will design, build, operate, and maintain the Stadium under an agreement with a Tax-Exempt LLC established to own the Stadium improvements as a pass-through for public grants and financing support. The Tax-Exempt LLC will enter into a long-term NNN Operating and Leasing Agreement with the Developer.
- The LLC will be established as a single member entity with the UNCA Endowment Fund being the member (Owner)

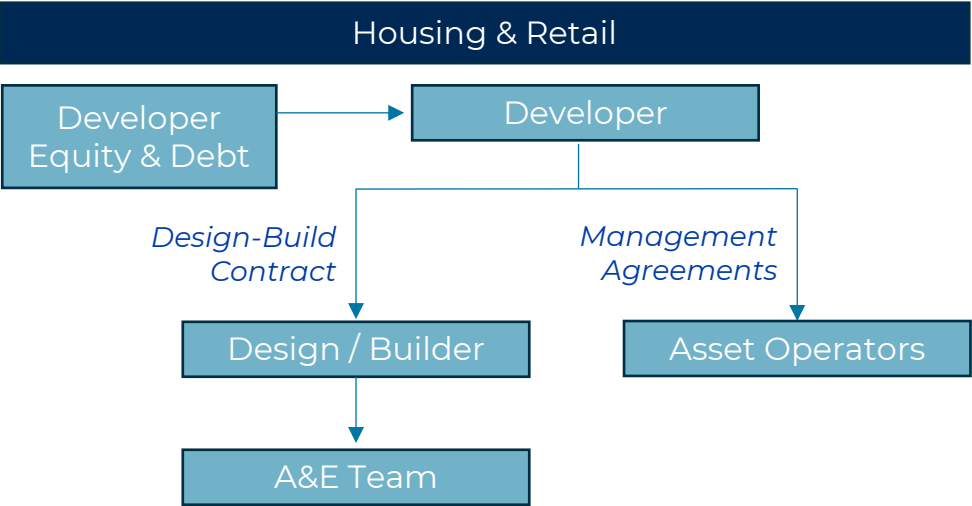
Housing & Retail

- Developer will design, build, finance, own, and operate housing, retail and parking district improvements through a long-term ground lease.
- Developer will hold the asset for an agreed upon period set by its members and investors prior to a sale and disposition of the asset.
- Prior to the disposition and sale, the UNCA Endowment Fund will have a first right of refusal option to match the confirmed sales price to take control of the asset.

Project Structure



Project Structure



Indicative Housing and Retail Concept Images



Preliminary Budget & Financing

Phase 1A Total Budget

Stadium & Team Costs – Phase 1A	
Stadium Hard Costs	\$36.9M
Stadium Soft Costs	\$8.1M
Franchise Start Up Costs & Fees	\$13.0M
Stadium & Team's Uses	\$58.0M

Phase 1A Financing

Assets	Source	Developer	Grants	University
Stadium	Potential Grants & Public Support	\$0	\$29.0M (50%)	\$0
	Equity	\$29.0M (50%)	\$0	\$0
Stadium Sources		\$29.0M	\$29.0	\$0

Preliminary Budget & Financing

Phase 1B Total Budget

Multi-Family Budget	
Phase 1 Hard Costs	\$83.6M
Phase 1 Soft Costs	\$41.8M
Total Multi-Family Costs	\$125.4M
Retail Budget	
Phase 1 Hard Costs	\$12.0M
Phase 1 Soft Costs	\$6.0M
Total Retail Costs	\$18.0M
Multi-Family & Retail Uses	\$143.4M

Phase 1B Financing

Assets	Source	Developer	Grants	University
Multi-Family & Retail	Equity	\$64.5M-\$78.8M (45-55%)	\$0	\$0
	Debt	\$64.5M-\$78.8M (45-55%)	\$0	\$0
Multifamily & Retail Sources		\$143.4M	\$0	\$0

Key Project Components

University Support

UNCA will transfer possessory rights to the Endowment Fund through a traditional ground lease. The Endowment Fund will enter a long-term ground lease with the Developer. The Endowment Fund, as a tax-exempt entity, will facilitate the use of grants and other potential public support for the Stadium financing.

Payment

The University will be paid top line ground rent based on the **market value** of the land. The payment will escalate over time.

Ownership

Under the ground lease, Developer will own all multi-family and retail improvements. Developer will enter into an agreement with a nonprofit LLC for the nonprofit to own stadium improvements. The Tax-Exempt Endowment Fund will be the sole member of the Tax-Exempt LLC.

Operations

Developer will enter into agreements for operators of housing and retail. Developer will enter into a long-term triple net lease with the nonprofit LLC to operate the stadium.

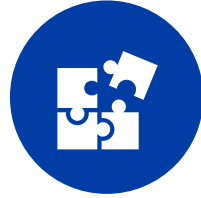
Preliminary Schedule

- Following BOG approval, UNCA and Developer to negotiate a ground lease.
- Design and permitting is expected to take two years to complete.
- Construction is anticipated to take approximately two years to complete.
- Stadium is expected to be completed by the end of year 2028, and housing & retail in the spring of 2029.

Summary



Development of a sport and entertainment district including a 5,000-seat stadium, housing, retail.



The project aligns strategically with both UNCA and the UNC System and meets millennial campus guidelines.



Structure of ground lease means capital risk is transferred from the University to the Developer.



The project will be developed and operated by the private sector, with initial phases projected to be opened early 2029.



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Questions?

