



# Lineberger Connector Project Economic Impact Analysis Summary

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Prepared for the Property Owners

by

**MXD Development Strategists**

July 19<sup>th</sup>, 2018

# Lineberger Connector Project

## Economic Impact Analysis - Executive Summary

In support of funding applications for the “Lineberger Connector Project”, this Economic Impact Analysis was prepared by MXD Development Strategists (MXD) in June/July 2018, as engaged by the Property Owners affected by such improvements for lands generally situated North of Interstate 85, East of Cox Road, West of Lowell Main Street and South of NC7.

Various data sources were reviewed in preparing this Economic Impact Analysis, including:

- Gaston County & Mecklenburg County Real Estate Reports (from CoStar, JLL, Cushman Wakefield, NAI Global, Linneman Associates, 1982 to 2017).
- Charlotte Douglas International (CLT) Airport Area Development Strategy Market Assessment, MXD Development Strategists, 2017.
- Gaston County CLT Airport Connected Economic Positioning Strategy, Greater Gaston Development Corporation (GGDC) & MXD, 2018.
- Smith Travel Research & Woods & Poole Projections, 2017.
- City of Gastonia and Gaston County Property Tax and Sales Tax Rates.
- North Carolina Occupancy Tax Profile, April 2017, North Carolina Tax Calculator & MIT Living Wage Calculator for Counties.
- North Carolina Department of Commerce and Bureau of Economic Analysis.
- US Census Bureau, Center for Economic Studies, LODE, 2014 and 2016.

MXD’s methodology involved consultations with Developers and Planning/Engineering Professionals (including the City of Gastonia, Gaston County, Collett, Kimley Horn and various Government, Agency and Private Sector Stakeholders through the prior GGDC Economic Positioning Strategy assignment), and identifying a potential highest and best use Suggested Concept Plan Diagram (Figure 1), and Development Program (Figure 2) for the project area that would benefit from the subject road improvements, and to forecast the positive Economic Impacts and Benefits (Figure 3) that could result from this Development Framework.

### Key Findings

The following summarizes significant positive Economic Impacts and Benefits that development of the project area could generate at full build-out, as illustrated in Figure 3:

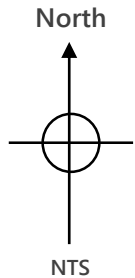
- 5.2 million square feet of new development on approximately 390 acres of land.
- Estimated Developed Property Value of \$891 million at full build-out.
- Just over 18,600 new full time jobs, of which 7,300 jobs would be directly created on-site.
- 5,700 Construction Employment Years during the construction periods.
- \$57 Million per year of Tax Revenues for Property Taxes, Retail Sales Tax, Hotel Transient Occupancy Taxes (for 360 Rooms in 2 Hotels), and Employment Income Taxes.
- A potential Destination Sports Park/Tournament Center, which could generate \$121 Million in annual Retail and Accommodation Sales yielding \$6.5 Million per year in Tax Revenues to the City of Gastonia and Gaston County area, creating spending inflow and assisting to fill hotels, restaurants and shops while generating employment.

# Lineberger Connector Project

Figure 1

## Suggested Development Concept

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## Figure 2 - Suggested Development Program Concept

Parcel Number	Suggested Development Use (At Full Build-Out)	Gross Developable Area Net of Arterial Roads & Open Space (Acres)	Net to Gross Developable Area Ratio	Net Developable Area (Acres)	Development Density (FAR or DU's/Acre)	Gross Building Area (SF)
1	Office Business Park	55	0.80	44	0.30	574,992
2	Office Business Park	25	0.80	20	0.30	261,360
3	Hotels & Meeting Space (360 Rooms in 2 Hotels)	14	0.90	13	0.41	223,000
4	Retail	24	0.90	22	0.25	235,224
5	Retail	13	0.90	12	0.25	127,413
6	Sports Park	30	0.90	27	0.04	50,000
7	Office	21	0.85	18	0.35	272,141
8	Mixed-Use Office over Retail	4	0.85	3	0.50	74,052
9	Multi-Family Residential (420 Units)	14	0.80	11	30	336,000
10	Single Family Detached Residential (218 Units)	35	0.80	28	7	392,000
11	Logistics/Warehousing	34	0.80	27	0.50	592,416
12	Logistics/Warehousing	66	0.80	53	0.50	1,149,984
13	Logistics & Flex	28	0.80	22	0.46	448,842
14	Flex Business Park (By Others)	12	0.80	10	0.30	125,453
15	Multi-Family Residential (120 Units)	4	0.80	3	30	96,000
16	Multi-Family Residential (240 Units)	8	0.80	6	30	192,000
<b>TOTAL</b>		<b>387</b>		<b>319</b>		<b>5,150,877</b>

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## Figure 3 - Economic Impacts & Benefits Summary Forecast

<b>ECONOMIC IMPACT SUMMARY</b> <b>(Forecast Annual Economic Impacts at Build-Out in 2018 Dollars)</b>	
<b>Gross Building Area Developed (SF)</b>	<b>5,150,877</b>
<b>Project Value Created (\$ Million)</b>	<b>\$891,100,000</b>
<b>Property Tax Revenues Generated (\$ Million) <sup>(a)</sup></b>	<b>\$12,500,000</b>
<b>Direct Employment Income</b>	<b>\$422,230,000</b>
<b>Direct Employment Income Tax Revenues <sup>(b)</sup></b>	<b>\$24,280,000</b>
<b>Indirect Employment Income</b>	<b>\$167,890,000</b>
<b>Indirect Employment Income Tax Revenues <sup>(c)</sup></b>	<b>\$9,650,000</b>
<b>Retail Sales Generated</b>	<b>\$139,900,000</b>
<b>Retail Sales Tax Revenues Generated <sup>(d)</sup></b>	<b>\$9,400,000</b>
<b>Hotel Revenue Generated</b>	<b>\$11,700,000</b>
<b>Hotel Transient Occupancy Tax Revenues <sup>(e)</sup></b>	<b>\$700,000</b>
<b>Employment Created</b>	
<b>Direct Employment</b>	<b>7,341</b>
<b>Indirect Employment</b>	<b>5,596</b>
<b>Induced Employment</b>	<b>5,659</b>
<b>Total</b>	<b>18,593</b>
<b>Construction Employment Years Generated</b>	<b>5,694</b>
<b>Total Annual Tax Revenues Generated</b> <small>(=a+b+c+d+e)</small>	<b>\$56,530,000</b>

# Lineberger Connector Project Economic Impacts & Benefits Highlights (at Full Build-Out)

**TOTAL TAX REVENUES**  
**\$56.5** Million/Yr.



## Property:

**5.2** Million SF  
of New Development

**\$891** Million  
of Property Value

**\$12.5** Million/Yr.  
Property Tax Revenues

## Taxes:

**\$9.4** Million/Yr.  
Retail Sales Tax Revenues

**\$700,000**/Yr.  
Hotel Transient Occupancy  
Tax Revenues

**\$33.9** Million/Yr.  
Direct & Indirect Employment  
Income Tax Revenues

## Employment:

**7,341**  
Direct On-Site New Jobs

**18,593**  
Direct, Indirect &  
Induced New Jobs

**5,694**  
Construction  
Employment Years

# Lineberger Connector Project Development Typologies



Retail and Mixed-Use



Hotels & Meeting Space



Office Business Park



Flex Space



Logistics/Distribution/Manufacturing



Multi-Family Residential

# Thank you

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