



**Dan Fenton**  
Executive Vice President



**Bill Sandridge**  
Managing Director, Raleigh

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# Overall Goal

*GRCVB's goal is to increase Wake County visitation to 19.5 million by 2028*

**Q:** *What is the goal of the Destination Strategic Plan?*

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**A:** To advance Wake County's overall visitation and enhance the tourism industry.

# Goals Continued

Increase  
number of  
overnight  
visitors

Increase  
overnight  
visitor length  
of stay

Increase  
economic  
impact of  
tourism

Generate  
community  
impact from  
new jobs,  
higher wages  
etc.

Transform  
community  
from a  
destination  
perspective

# Project Team



**Dan Fenton**  
Global Tourism Director



**Bill Sandridge**  
Managing Director,  
Raleigh



**David Holder, CDME**  
Vice President–Tourism



**Bethanie Parker**  
Associate–Tourism



**Dan Douglas**  
Urban Planner

# JLL Local Raleigh Presence

## JLL's local team knows the market

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*We are invested in this community and will provide insight to benefit the development of the plan.*

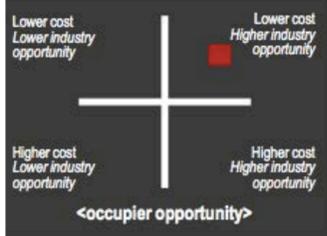
# Technology Office Outlook

Raleigh-Durham | Summer 2016



## MARKET SCORE AND MATRIX POSITION

<b>&lt;market score&gt;</b> <b>80.6</b>	<b>Office supply</b> 44,195,223 total inventory (s.f.)	<b>Office cost</b> \$21.36 overall direct asking rent	<b>Employee cost</b> \$107,774 average wage 2015	<b>Total cost per employee</b> \$3,738 annual real estate cost (175 s.f./person)
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<b>11.5%</b> total vacancy	<b>Venture capital</b> \$73.1M total funding Q315-Q216	<b>-48.4%</b> y-o-y change in funding
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## TOP LEASE TRANSACTIONS

<b>Perimeter Park IV   RTP / RDU</b> Tenant: ChannelAdvisor Size: 136,538 s.f. Relocation and expansion	<b>Perimeter Park   RTP / RDU</b> Tenant: TrialCard Size: 73,014 s.f. New lease
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## Fourth quarter brings lease expansions to triangle

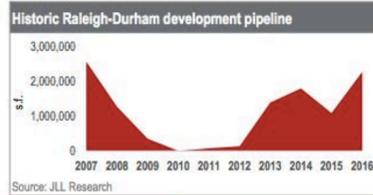
**Lease expansion announcements hit Triangle in the fourth quarter**  
The two largest came in mid-December when INC Research and Citrix both announced plans to expand operations in the Triangle. INC plans to expand and move their headquarters from their current suburban Route 1 site to the Research Triangle in Morrisville. Focusing in Downtown Raleigh, Citrix is making a \$5 million investment by adding another 400 jobs to the CBD in the next five years. Neither expansion has announced real estate plans yet but INC Research rumors suggest Perimeter Park while Citrix's goal is to keep the employee base close to their current Warehouse District redevelopment. Nutanix and Smartlink also released Raleigh-Durham expansion plans in the past quarter in Downtown Durham and Cary, respectively.



**Large office portfolio sales round out 2016**  
2016 saw 4.2 million square feet of office product trade throughout the year with 1.3 million square feet in the last three months. Singerman Real Estate, out of Chicago, picked up just under 500,000 square feet of office and flex product with six buildings in Perimeter Park. In another notable transaction, local real estate investment firm, The Dilweg Companies, purchased Quadrangle Business Park in Chapel Hill for \$21.5 million or \$156.95 per square foot. This Class A park totals 264,410 square feet and was 91 percent leased at the time of sale. As GlaxoSmithKline sold off its Triangle real estate, Longfellow Real Estate purchased its second lab building of the portfolio with the Stiefel building on TW Alexander Drive. Longfellow Real Estate also acquired Venture Center in late 2015 from GlaxoSmithKline's property downsizing.



**Construction groundbreakings continue among suburban submarkets**  
Raleigh-Durham suburban submarkets saw two additional groundbreakings fourth quarter contributing to a total of seven suburban groundbreakings in 2016 and two urban. Legacy at Brier Creek in the Glenwood/Creedmoor submarket and Churchill Hall at Imperial Center in the RTP/RDU submarket both broke ground. With 2.2 million square feet under construction, Raleigh-Durham speculative construction has caught up with demand. With numerous recent expansion announcements in addition to North Carolina's steady job growth, in general, leasing activity is expected to keep up with abundant supply as it delivers.



<b>44,221,958</b> Total inventory (s.f.)	<b>194,861</b> Q4 2016 net absorption (s.f.)	<b>\$22.27</b> Direct average asking rent	<b>2,587,695</b> Total under construction (s.f.)
<b>10.2%</b> Total vacancy	<b>1,112,253</b> YTD net absorption (s.f.)	<b>8.4%</b> 12-month rent growth	<b>64.4%</b> Total preleased

## JLL Local Corporate Clients



# JLL Industry History

- **30** tourism strategic planning clients
- **100** convention/civic/conference facilities representing over 15 million square feet of function space
- **65** hotels totaling 35,000 rooms and representing nearly \$8 billion in value
- **65** economic impact studies
- **30** civic centers, amphitheaters, arenas, ballparks and stadiums, including MLB, NFL, NBA and MLS facilities
- **30** commercial/retail/office projects representing nearly \$10 billion in value and 30 million square feet
- **50** hotels globally under asset management

# Charlotte Case Study

*JLL's recommendations have spurred catalytic development in Charlotte*

**JLL has a 15-year relationship with Charlotte and the Charlotte Regional Visitors Authority**

- Transformed the landscape for:
  - ▶ Residential services
  - ▶ Convention amenities
  - ▶ Leisure tourism offerings

*New effort underway based on JLL's recent recommendations at Charlotte Convention Center*

# Hospitality and Tourism Assignments



# The Focus

**The  
Overnight  
Visitor**

# Project Approach

**OBJECTIVE 1: Stakeholder consensus**

**OBJECTIVE 2: Tourism infrastructure and destination development**

**OBJECTIVE 3: Increase visitor flow across all channels**

# Steering Committee

- John Q. Adams, Red Hat
- Dan Ault, Town of Cary
- Jenn Bosser, City of Raleigh
- Angela Caraway, MMP, The Caraway Management Group, Inc.
- Jason Cannon, Town of Wake Forest
- Deanna Crossman, Mayton Inn
- Robert Doreauk, AT&T
- Katharine Eberhardt, NCFC Youth
- Sherry Fadool, Triangle Volleyball Club
- Jim Greene, City of Raleigh
- Michael Haley, Wake County Economic Development
- Greg Hatem, Empire Properties
- Scott Manning, Holly Springs Chamber of Commerce
- Jennifer Martin, Greater Raleigh Merchants Association
- Todd Masinter, Triangle Glides
- Eleanor Oakley, United Arts Council of Raleigh and Wake County
- Ian Sauer, Summit Hospitality Group
- Lesley Stracks-Mullem, Taste Carolina Gourmet Food Tours
- Jason Widen, HQ Raleigh

# Stakeholder Consensus

*We want to hear from you.*

*The broader the spectrum of input and engagement, the better the outcome*

## Inclusiveness

- Hospitality Industry
- Arts Community
- Event Organizers
- Business Community
- Venue Operators
- Elected Officials
- Cities and Towns
- Residents

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## Engagement

- Focus Groups
- Monthly Updates
- Dedicated Website
- Stakeholder Survey
- Resident Survey
- Ongoing Access to JLL
- Final Report Review

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**Broad-based support for ultimate Destination Strategic Plan**

[wakecountydsp.com](http://wakecountydsp.com)

# What is a Tourism Asset?



an event



an attraction



a park



a story



an experience



a restaurant



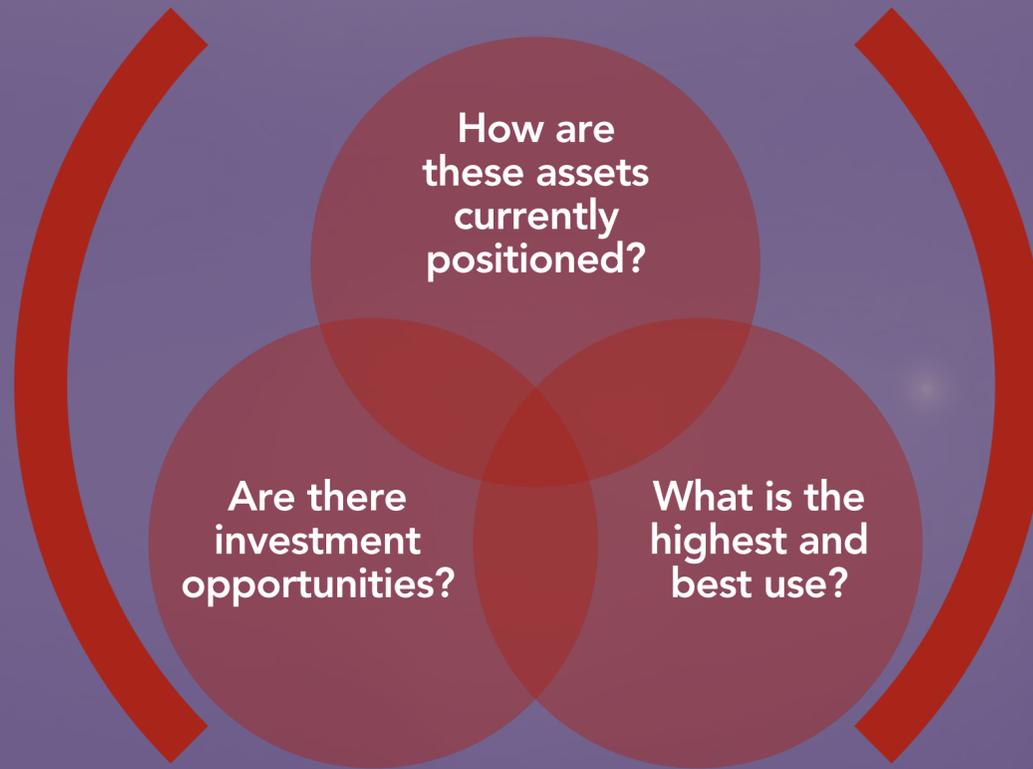
a special place

# Tourism Infrastructure & Destination Development

*JLL will look at all relevant elements related to development and growth*



Countywide  
Asset Inventory



Situational Analysis



Key Recommendations—  
Implementation Plan

# Implementation

*JLL will develop a timeline and actionable short-, medium- and long-term recommendations*

*This is a countywide plan that will encompass a wide variety of partners*

Recommendation	Participation	Details implementation	Lead	Partners	Timeline
Implement new program	Determine participation	Confirm at least five participants for pilot program in year one	CVB	Industry Association Regional Association Cities and Towns Local Business Owners	< 6-8 months

# Thank You!

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